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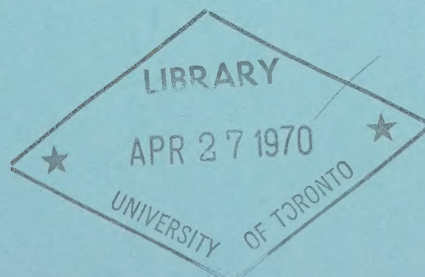
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REPORT OF INQUIRY INTO CERTAIN CONDITIONS, CONDUCT AND MATTERS GIVING RISE TO LABOUR UNREST AT THE PORTS OF MONTREAL, TROIS-RIVIERES AND QUEBEC, P.Q.

(PURSUANT TO SECTION 56 OF
THE INDUSTRIAL RELATIONS AND
DISPUTES INVESTIGATION ACT)

COMMISSIONER	HONOURABLE ARTHUR I. SMITH
OF COUNSEL:	PHILIPPE CASGRAIN FRANÇOIS BELANGER ANATOLE LESYK



CANADA DEPARTMENT OF LABOUR

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I N T R O D U C T I O N

On the 27th day of February, 1968, the Honourable J.R. Nicholson, Minister of Labour for Canada, pursuant to section 56 of the Industrial Relations and Disputes Investigation Act, appointed me to act as a Commissioner to inquire into, and report to him in respect of, "certain causes of labour unrest existing at the Ports of Montréal, Québec and Trois-Rivières".

The Terms of Reference are as follows:

- "1. Conditions, conduct and matters, not part of normal trade union activities, giving rise to labour unrest, including pilferage, theft, corruption, bribery, kick-backs, gambling, book-making, loan sharking, extortion, coercion, assault, or other irregular or illegal activity;
2. Management employment or business practices, conditions and matters, not part of or dealt with in collective bargaining, giving rise to labour unrest, including the methods of dealing with cargo at the ports, the methods of exercising discipline with respect to employees in and around the work place in the interests of security of cargo, and the methods of maintaining a standard of good conduct by all other persons in and around the work place; and
3. Any matters incidental or relating to any of the foregoing matters."

This appointment was accepted on the understanding that I would not be expected to devote much of my time to the inquiry prior to my resignation as a judge of the Superior Court for the Province of Quebec which was to take effect on August 15th, 1968.

Appointments and Appearances:

It was not until June of 1968 that legal counsel were officially appointed to the inquiry in the persons of Messrs. Philippe Casgrain, François Bélanger and Anatole Lesyk.

Mr. G.A. Plante, of Ottawa, was appointed to the Commission in the capacity of Executive Secretary and to him, and to his secretarial staff, Mrs. Rachel Ross and Mrs. Marguerite Thiffault, we are indebted for excellent service and faithful co-operation.

The Inquiry opened formally on June 13th, 1968, with a public hearing which extended into June 14th.

Notice of this meeting appeared in the press and an attempt was made to extend to all interested parties a personal invitation in writing to attend.

At the opening of the Inquiry, formal appearances were filed as follows:-

J.M. Jacques	Counsel for National Harbours Board
L. Yves Fortier	Counsel for Shipping Federation of Canada Inc.
William Tetley	Counsel for Canadian Board of Marine Underwriters
Philip Cutler, Q.C.	Counsel for the International Longshoremen's Association
Antonio Lamer	Counsel for the International Longshoremen's Association
Gino Castiglio	Counsel for the International Longshoremen's Association
James A. Robb	Counsel for the Interprovincial Association of Stevedoring Contractors
W. David Angus	Counsel for the Interprovincial Association of Stevedoring Contractors
Louis Robichaud, Q.C.	Counsel for the Minister of Justice for the Province of Quebec
Michel Côté	Counsel and Representative of the City of Montreal
Geo. Longval	Economic Adviser - Dept of the Administration - City of Montreal
Harold Bennett	Assistant Solicitor - C.P.R.
H. Colley	President - Shipping Federation of Canada Inc.

The Terms of Reference (of which copies in English and French were made available to all persons desiring them) were read and the undersigned made brief remarks of an introductory nature in which it was stressed that the object of the Inquiry was to obtain, insofar as possible, full information relative to the matters referred to in the Terms of Reference as well as an expression of all points of view concerning same in the hope that, having regard to the interests of everybody involved, acceptable solutions to the various problems might be found.

An invitation to submit written briefs, or otherwise make information and expressions of points of view available to the Commission, was extended to all interested persons and organizations.

Private Interviews:

Although the Commission is by Statute vested with the power to hold public hearings, it was not obliged to do so, it being left entirely to its discretion as to whether or not such hearings should be held.

After careful consideration, and having due regard to an apparent lack of enthusiasm for protracted hearings of this nature on the part of the various interested parties and organizations (they having been already involved in very considerable expense in respect of lengthy public hearings which they had felt obliged to attend) and being convinced that public hearings would be unlikely to produce any useful result, it was decided to prosecute the Inquiry by interviewing privately those considered to be in a position to supply useful information. The decision to proceed in this fashion has, we feel, been more than justified by the results obtained. By so doing, we have been able to induce much greater freedom and willingness on the part of those interrogated to supply information and give expression to their opinions than would have been possible had they been heard publicly.

Both preceding and subsequent to the formal opening of the Inquiry, Counsel took the steps necessary to obtain reports in respect of inquiries and investigations (whether of a public or private character) previously made, which in any way related to the Ports

of Montréal, Québec and Trois-Rivières and Counsel proceeded to interview persons who were considered to be in a position to supply the Commission with relevant information or helpful suggestions, both as to the manner in which the Inquiry could most usefully be conducted and their points of view concerning the various problems involved.

In addition to several tours of inspection made of Montreal Harbour property and facilities, as well as similar visits to the Ports of Québec and Trois-Rivieres, representatives of your Commission visited the Ports of Toronto, Vancouver and San Francisco. The Commission also visited the ports of New York and Brooklyn.

Representatives of the Commission also inspected eight harbours in Western Europe to wit: London, Liverpool, Hamburg, Amsterdam, Rotterdam, Antwerp, Le Havre and Marseilles.

The information gained from these visits has been most helpful: a summary of the findings of the Commission with respect to west european ports is annexed hereto as Annex "A".

The Commission has interviewed upwards of 750 persons, including representatives of the National

Harbours Board, the police forces, the Montreal Port Council, the Department of National Revenue-Customs and Excise, the Security Agencies, the Shipping Federation of Canada Inc., the Interprovincial Association of Stevedoring Contractors, executives and members of locals of the International Longshoremen's Association, as well as of other Unions involved in the different harbours.

In addition to interviews held in the offices of the Commission with representatives of the various bodies mentioned above, the Commission also carried out on the waterfront a large number of interviews with longshoremen and other persons involved in the operations.

The Commission also visited at frequent intervals to various work places as well as the hiring hall, restrooms and other facilities on the waterfront.

Representatives and members of the Truckers Association, of the Canadian Board of Marine Underwriters and of the Canadian Importers and Exporters Association were interviewed.

A number of reports and much relevant literature, emanating from various organizations and Government agencies in Canada, the United States, the United Kingdom and other European Countries have also been consulted by the Commission and in several instances discussed with parties interested in this Inquiry.

Briefs from Parties:

It is not entirely without significance that, although most of the interested groups were represented at the opening hearings and each had pledged its wholehearted co-operation, only four of them have responded to the Commission's invitation to produce a brief or submission in writing. Written expressions of opinion were received from the Canadian Export Association, from Mr. John L. Eyre, President of Saguenay Shipping Ltd., and from Shipowners Assurance Management Ltd. One brief was submitted by the Canadian Board of Marine Underwriters, another by I.L.A. local 1552 (Shipliners), the third one by the Interprovincial Association of Stevedoring Contractors and the fourth one from the Chambre de Commerce du District de Québec.

It should be stated however that this may be explained in part by the reluctance of the groups directly interested in the work of this Commission to put down in writing suggestions or statements which, if made available to the other parties through leaks or oversights in their own organizations, might prove to be detrimental to their own positions in

the course of the wrangling, bargaining and arbitration in which they are ever involved and to which further reference will be made. It should also be noted that the Shipping Federation of Canada Inc. would not submit a brief because it felt it would be difficult for its members to agree on the contents of their submission.

PART I

PREVIOUS INVESTIGATIONS

There can be little doubt that unchecked theft and pilferage are the causes of serious damage to the reputation and economy of the Port and Nation. It is probable, however, that even more important than any monetary loss involved is the deterioration inflicted on the moral fibre of those who are able to pursue these illegal practices with impunity.

The prevalence of theft and pilferage and of other criminal and irregular activities in the harbour of Montreal has been amply demonstrated in the Deschênes and Cassidy reports, which are in the hands of the Minister and to which reference will be made later.

In the past eight years, several investigations were conducted on the problems of theft and pilferage in the harbour of Montreal by the R.C.M.P., for the benefit of the National Harbours Board (Ottawa): for instance in 1963, in 1965 and in 1966, the R.C.M.P. conducted extensive inquiries and submitted various recommendations to the National Harbours Board in Ottawa on the need for reorganization of the National Harbours Board Police, on fencing, checking and other matters related thereto.

These reports were followed in 1967 by two major reports, one by Mr. D.N. Cassidy (then with the R.C.M.P.) for the National Harbours Board (Ottawa) and the other initiated at the same time by the Montreal Port Council and conducted by Jules Deschênes, Q.C. (both of these reports have been in the hands of National Harbours Board (Ottawa) since they were rendered and were also made available to the Department of Labour).

The Commission has carefully examined these reports and in particular the Cassidy and Deschênes reports. All of these reports contain substantially the same information.

The Commission has verified, through the considerable information obtained over the past months from those involved in the harbour of Montreal, that both the Deschênes report and the Cassidy report are substantially in accordance with the facts.

We have not considered it to be the primary object of this Inquiry to prove the time when, and circumstances under which, specific crimes or irregular

actions have been perpetrated, or to identify the person or persons therein involved, but rather to find means of eradicating, or at least reducing, the incidence of crime on the waterfront.

Everyone connected with the harbour, including customs authorities, insurance companies, exporters and importers, shipping agents, shipowners, contracting stevedores, truckers, the labour force involved in handling of cargo, and the harbour authorities, agree that there is a very considerable amount of theft and pilferage in the harbour of Montreal.

On March 14th, 1967, the Dominion Bureau of Statistics reported, following a study carried out at the instance of the National Harbours Board, that it was impossible to establish with any accuracy the losses sustained on the harbour and distinguish between the various types of losses.

While it is true that this absence of reliable statistics makes it difficult to assess with absolute certainty the extent of the problem, the

Commission is satisfied on the basis of the information that it has gathered so far that the losses due to theft and pilferage in the harbour of Montreal have reached alarming proportions and that this situation has and is still acting as a major deterrent to importers and exporters, quite apart from the bad reputation which the ensuing publicity on this state of affairs gives to the City of Montreal.

The situation prevailing in the majority of the sheds, and in their surrounding areas in the harbour of Montreal, is such as to sometimes constitute an open invitation to theft and pilferage.

It is a known fact on the harbour that prior to the appointment of the present Director of Police, Mr. Leslie Hobbs, in 1968, the harbour police was almost completely inefficient and indeed had the reputation of closing its eyes to the perpetration of theft on the harbour.

The situation was such that the R.C.M.P., which in 1965 at the request of the harbour authorities had started assisting the harbour police, refused to

continue because of the impossibility of achieving any satisfactory results with the harbour police as then constituted. It would be an understatement to say that conduct of this nature on the part of those charged with enforcement of law and order in the harbour would be likely to lead to all sorts of abuses and open the door wide to all types of criminal activities.

The foregoing is due not only to the absence of proper regulations and security measures but is intimately linked to the appalling lack of direction and discipline which relate not only to the prevalence of crime on the waterfront but also to labour unrest and will be dealt with in its larger context in Part II of this report.

In the meantime, there are various factors and circumstances which directly bear upon the problem of theft, pilferage, etc. and should be made known.

FACTORS CONTRIBUTING TO ILLEGAL
AND IRREGULAR PRACTICES AND TO
LABOUR UNREST GENERALLY

a) Physical Conditions

The National Harbours Board in Montreal owns and operates piers, wharves and jetties providing 135 berths and totalling 14 miles of berthing accommodation, 47 transit sheds with an aggregate floor area of 3,864,000 square feet, 5 grain elevators with a storage capacity of 22,262,000 bushels, and 4 miles of grain conveyor galleries with a shipping capacity in excess of 3,000,000 bushels per 13-hour day as well as a cold storage warehouse with a capacity of 2,900,000 cubic feet.

To operate its own facilities, the National Harbours Board negotiates and enters into collective labour agreements with 9 Union locals in respect of a total of over 1,000 men and employees an additional 191 men, not covered by collective labour agreement.

On the other hand, the Board leases its freight sheds to the various shipping companies, or their agents, and neither hires the working force nor assumes responsibility in respect of cargo which passes through these sheds.

The particular section of the harbour which is the main concern of the present Inquiry extends from Bickerdike Pier at the foot of Mill Street to shed 69 at Haig Street, a distance of approximately 6 miles, where some four million tons of general cargo are handled yearly by the longshoremen.

Railway tracks run through the harbour, bordering the sheds, and trucks have access to said sheds by backing across the tracks to the end doors of same.

The existence of the tracks not only impedes the loading and unloading of trucks, but contributes to the difficulty of fencing said sheds, and interferes with access to the harbour.

Trucks, with their drivers and helpers, used to be admitted freely into the sheds, and still are in most of them, with the result that there is frequently great congestion and confusion in same. Moreover, not only do dock personnel have ready access to the sheds, but they are also frequented by many who have no legitimate right to be there.

The situation is somewhat different in three groups of sheds which are completely fenced in with guards at the entrance.

The fact remains however, that, in respect of the great majority of the sheds, anyone is free, whether he has business therein or not, to circulate at leisure and to handle cargo.

Coupled with this is the fact that in a great majority of the sheds, cargo is not sorted and is piled in such a haphazard way that truckers or importers seeking delivery of their goods are left free to look for their own merchandise, thereby opening the door wide to every type of theft and pilferage.

The National Harbours Board operates also the harbours of Quebec and Trois-Rivières which are more important with regards to the special cargo they export, i.e. paper and asbestos, than because of the general import cargo which flows through their twelve transit sheds each. The Port of Quebec may notice some impetus in the near future by reason of the installation of container facilities due to its propitious location on the St. Lawrence River. However, for the time being, it would have been assumed that no theft or pilferage existed in these two harbours since no pilferable merchandise is stored in the sheds; however, the Commission has ample evidence that such illegal activities are conducted aboard the ships which berth there and may account for part of the cargo missing when the ship reaches its final destination elsewhere. This could partly be cured by a proper surveillance effected through the customs authorities.

b) The Shipping Federation of Canada Inc.
and the Stevedoring Contractors

The Shipping Federation of Canada Inc., which is supposed to group together shipping agents and shipowners having a common interest is made up of 24 agents and two shipowners.

The Federation itself is divided into two, if not three groups whose interests are different enough to render them radically opposed to one another on major issues.

While the independent stevedores direct their working force, it is the Shipping Federation - of which the independent stevedoring contractors are not members - that negotiates, signs and administers the collective agreement. The stevedoring contractors claim that they must forever refer to the Shipping Federation as the "theoretical" management when time comes to exercise management prerogatives. They claim that the Shipping Federation, which must in turn look for instructions to principals located in England and other foreign countries, fails to exercise any of such

prerogatives, leaving the contractors unable to control properly the working force. The Shipping Federation, on the other hand, claims that it is the stevedoring contractors who do not exercise properly their authority.

There is no doubt that this division within management, where management is the Shipping Federation, but where the "de facto" employer is the stevedoring contractor, has not only severely divided management making it incapable of facing a united work force, but also has bred continuous in-fighting and misunderstanding between the "employers" (the stevedoring contractors) and management (the Shipping Federation).

The situation is made even worse by the fact that there are as many employers as there are stevedoring contractors and, as outlined in this report, in the section dealing with unions, this has in turn caused unwritten ground rules to come into existence between individual stevedoring contractors and their parent gangs and which ground rules vary from one contractor to another.

In the old days, particularly, when there was no union, the shipping agent decided who would work his ship on arrival in port and the stevedoring contractor whom he used, regarded this opportunity as a preference. It is true that in the old days as well, the stevedoring contractor cared little for the cost of labour, and in many instances labour was encouraged by the stevedoring contractor to ask for more wages, on which the contractor was receiving his mark-up and thereby a greater benefit.

From these circumstances developed the attitude of the shipping agents implying that they were the only ones in a position to protect the shipowners and therefore the port.

In time the Shipping Federation's labour committee included a representative of the independent stevedoring contractors. This representative was "appointed" by the Shipping Federation and, to the argument by the stevedoring contractors that they should form the majority of the Committee, the Shipping Federation would answer that since some of its members were also house stevedores, (that is stevedoring companies operated by shipping agents or shipowners) there was

proper representation for all concerned on this labour Committee.

That the stevedoring contractors should never have taken the necessary legal steps to obtain recognition as the proper employer of labour on the waterfront may appear surprising but, it must be remembered that the Shipping Federation used to be made up of a larger number of shipowners having substantial interest in the harbour, and was theoretically therefore justified in assuming the dominant position, since in the long run its members paid the bill for labour. As shipowners moved out of Montreal, and the shipping agents, except for one or two members of the Shipping Federation, became only representatives of various foreign lines, the shipping agents were still able to retain a dominant position, since the majority of them were, after all, the stevedoring contractors' customers in that they directed business to them.

It has certainly been true, at least until recently, that, as a result of the foregoing, the Shipping Federation of Canada Inc and the Interprovincial Association of Stevedoring Contractors have all too frequently been hopelessly opposed one to the other.

The net result has been lack of management and consequently, lack of effective means of exercising some form of discipline at least in terms of security of cargo.

Over the years, the only matters ever discussed between management and labour were those concerning wages and hours of work. Representatives of management readily admit that because of the constant disputes forever separating the parties, there is no room left for any kind of joint effort by management and labour to take action in respect of security of cargo and the curtailment of illegal or irregular practices by those involved in such operations.

On the 26th day of November 1968, the Shipping Federation of Canada and the Interprovincial Association of Stevedoring signed an agreement by which they agreed to create the Maritime Employers' Association through which, hopefully, they would henceforth speak with one voice on behalf of management.

If this result were to be achieved, what has in the past proved to be a complicating and frustrating difficulty in labour-management relationship will have been overcome in some measure, although the creating of such an organism is but an initial, though vital, step in the right direction.

Our information however indicates that even this attempt to create a management team speaking with one voice is far from successful.

When the formation of the Maritime Employers' Association was proposed the Shipping Federation made it a condition that it would have control of the Association, despite representations by the stevedoring contractors that they were the real employers and that logically an employers' association should be made up only if not in majority of persons dealing directly with labour as opposed to a group of shipping agents purporting to speak on behalf of absentee owners. It is still the shipping agent who is the lessee of the sheds and who in some cases directs the business to stevedoring contractors. The latter, therefore,

are not in a position, individually at least, to risk open conflict with representatives of their prospective clients. Nevertheless attempts were made to reach a compromise whereby only those members of the Shipping Federation directly employing labour and the stevedoring contractors would form part of the employers' association. In the end, however, the Shipping Federation won out and the parties had to go back to the principle of control of Maritime Employers' Association by the Shipping Federation. While the formation of the employers' association was in process, the stevedoring contractors, through their own association, formed a company designed to run a Central Pay Office despite the fact that it was fully aware that the Shipping Federation was also planning to organize a Central Pay Office.

In the meantime the stevedoring contractors are themselves involved in in-fighting because of a clause in the latest collective agreement which, according to some persons, permits the hiring of non-union labour in certain cases by some stevedoring contractors, at lower rates paid than those to which members of I.L.A. local 375 are entitled, thereby

making it impossible for other stevedoring contractors to meet competition.

Since the opening of this inquiry the Commission has noted a number of instances in which shipping agents, shipowners and stevedoring contractors respectively have actually been looking in vain for some responsible person in the harbour to whom complaints could be made with some chance of their being heard and dealt with.

It was due to the continuous efforts, prestige and ability of Justice Gold over the past two years that a complete breakdown of the management-labour relationship was averted.

As things now are, neither the Shipping Federation nor the stevedoring contractors have been able to provide management of their working force and there is no person or organization at this time in the harbour, able and prepared to assume that responsibility.

As stated earlier in this report, the Commission has received no brief from the Shipping Federation. Although the Shipping Federation demonstrated throughout a desire to cooperate the mere existence of the contradictory interests within its membership

apparently rendered impossible any official stand by the Federation on the matters investigated by this Commission.

All groups from the more conservative to the more radical have had their own views and, short of interviewing every single member of the Shipping Federation privately, there would have been no way for the Commission to obtain from them a general consensus on the type of reform necessary in the harbour. Matters such as terminal operation, private guarding, sorting of cargo, hatch check, operation of the sheds, representation of the employers on labour committees and others, were the subject of any number of contradictory views.

The Shipping Federation appears to be unable to give a complete mandate to its own employees who conduct the collective bargaining and the implementation of the agreement.

When this is paralleled with the rivalry that exists between the stevedoring contractors as such and the important members of the Shipping Federation, the end result is usually frustration on all sides. Individual suggestions are made, plans are put forward for unity of action but the end result is lack of cohesion and consensus.

c) Unions

The Terms of Reference of this Commission encompass the whole of the labour force engaged in activities on the waterfront. The harbour of Montreal has then been logically envisaged as a huge industry for the purpose of the Commission, where thousands upon thousands of employees congregate daily, almost all of them coming under one of the numerous labour units which have been formed through the years.

The National Harbours Board negotiates nine (9) collective agreements in respect of some one thousand employees:

<u>SYNDICATES</u>	<u>GROUP OF EMPLOYEES COVERED BY EACH AGREEMENT</u>
1- National Syndicate of Montreal Harbour Employees (CNTU)	Prevailing rate employees: a) (i) General Forces 500 (ii) Grain Elevators 100 (iii) Cold Storage Warehouse 34 b) Refrigeration 11 Office Employees 139
2- National Syndicate of Montreal Harbour Office Employees (CNTU)	
3- National Harbours Board Police Brotherhood, Montreal	Policemen and 107 Toll Officers 19
4- Seafarers' International Union of Canada	Fleet 26
5- Brotherhood of Locomotive Engineers	Locomotive Engineers 14
6- United Transportation Union of Canada	a) Trainmen 37 b) Firemen and Enginemen 12 c) Assistant Yardmasters 4

The Canadian National Railways and the Canadian Pacific Railway Company each have a separate although similar collective agreement with the Brotherhood of Railway, Airlines & Steamship Clerks, Freight Handlers, Express & Station Employees in respect of their labour force in the harbour of Montreal; the agreement with the C.N.R. covers some 260 employees and the other with C.P.R., some 225 employees. During the shipping season, the C.N.R. may employ up to one hundred additional non-union men and the C.P.R. some 200. On the other hand, most of the hundreds of truck drivers employed by the trucking firms concerned with movement of the cargo in and out of the harbour, come under the jurisdiction of the Parity Committee of the Trucking Industry for the Province of Quebec.

However, the group of employees with which the Commission has been more concerned is that composed of some 4,000 employees directly involved in the loading and unloading of cargo from ships. These are almost all members of nine (9) locals of the International Longshoremen's Association. About 1,000 of these employees come under the jurisdiction of the I.L.A. although properly speaking they are not regular members

of the union, as will be seen later.

Another 400 of them are members of the six (6) so called small locals and there seems to be hand writing on the wall that they will eventually merge within the powerful and overruling local 375. This seems especially true in view of the fact that the existence of these small locals breeds disunity within the union ranks, for instance with regards to the implementation of the security fund, and is not likely to be tolerated indefinitely by labour leaders.

All of these 4,000 workers are represented at the international level by the Vice-president for the Atlantic region, Mr. Norman Quigley, who is also President of I.L.A. local 1846 in Trois-Rivières. His recent appointment has been a matter for concern for the Commission as will be shown in the examination of the situation in Trois-Rivières.

All of the above labour units comprise almost 100% of the labour force in the harbour. Because of their numbers and also because of the nature of the work in which they are involved, the Commission has furthered the study of only three I.L.A. locals in Montreal, (Longshoremen 375, Checkers 1657, Shipliners 1552), but statistics have shown that the other labour

groups provide a comparable crime rate, leading to the conclusion that the existing situation in the harbour is definitely attributable to a lack of discipline and supervision, since no other area of economic activity provides such an appalling state of affairs.

This lack of discipline and supervision is also made more apparent by the confusion which exists in the field of management-labour relationship, between the I.L.A. locals hereinafter studied and management represented by the Shipping Federation of Canada Inc.

Local 375

In 1968, I.L.A. local 375 comprised approximately 2,307 longshoremen who were regular members of the Union and some 446 extras who were not members of the Union, but, who were entitled to work as longshoremen upon the payment of a fee, once the roll of regular members was exhausted. Amongst the regular members, 96 gangs of 17 men (including the foreman) have been set up for the 1969 shipping season. An additional 14 gangs have been temporarily set up according to

the new collective agreement. These gangs work on rotation for the different stevedoring contractors.

In any field of operation, involving a number of men, it is a basic requirement, in order to achieve any kind of success, that these men work all together as a team. There has to be a measure of direction given to these men so as to ensure efficiency which has been sorely lacking in the port of Montreal in the past six years. It has been amply demonstrated that productivity in the harbour has been consistently decreasing despite the improvement in the methods of handling cargo, such as packaging and palletizing.

During the past five years, gang foremen have completely lost control of the working force. Whilst previously, under the old shape-up system, foremen could manage not to hire undesirable characters and, in so doing, insure greater efficiency within the gang, there is no doubt that this system had some important set-backs and led to many abuses. However, with regards to productivity, the remedies applied have tended to cause a disastrous effect. Although applying seniority rules could have been a check on

abuses on the part of foremen, the faulty implementation has provided for the inclusion of workers within gangs on which they have a disruptive effect. Longshoremen themselves are the first ones to complain on the manner in which this seniority system has been applied, resulting in abuses worse than the ones occurring under the old shape-up system. Furthermore, the foremen have been completely stripped of their authority, being answerable to their union local on any complaint made by a worker, to the point where foremen would not even bother attend a hearing of such a complaint.

Local 1657

I.L.A. local 1657 comprises approximately 325 checkers who are regular members of the Union and, during 1968, some 634 extras who were not members of the Union were called in to complement the regular work force. The checkers do not work on a rotation basis and their dispatching was controlled exclusively by the Union until this month.

The checkers are resented by the longshoremen who would disregard their instructions, if they happened to give any. Checking has always been the chasse-gardée

of the English speaking community.

The Union, being controlled as it is, and as aforesaid, the dispatching of checkers having been done exclusively by those in control of the Union, one could expect all the abuses which were connected with the shape-up system for the longshoremen, prior to the introduction of the Picard recommendations, namely favouritism, loansharking and other practices.

It appears that hiring and dispatching of checkers will, in the future, be conducted through the system used for local 375 with the result that this situation could somewhat abate in this respect.

The outstanding collective evidence of the workings of this union is in the fact that twice as many checkers who are not union members, do not have any rights and must be content with the unwritten custom of being provided work during 3 days in a week in exchange for the monthly \$6.00 payment to the union fund. They all contribute \$0.21 an hour towards the union pension fund to which they are not entitled. They have no one to turn to, for their grievances, since they are not union members. As to conditions of work, they will have to report everyday to the

union hall, hoping to be given some work which is certainly not the easiest one. If any overtime is forecasted, it is safe to say that when the regular time expires, a union member will be dispatched to take over the job. Non-union men will be the ones to be hired to work outside of the hangars during the winter months when members of the union will look for a milder climate. These non-union members constitute a sorry lot, who will not earn sufficiently during the year to provide for the needs of their families. Recently, all hopes of their ever achieving union membership were taken away, in June of this year, when it was learned that union membership was likely to be forever closed in order to allow members of locals 375 and 1552 to take over checking work when longshoring would be slacked.

Actually the June agreement provides for an increase of 25 additional members to the regular roll of the checkers' union. An examination of the list of the 25 additional members has provided the Commission with additional evidence that the selection was again made contrary to Union By-laws and has convinced the Commission that once again undue

preferences were granted by those responsible for the selection of members. In any event, the dispatching of the checkers by the Shipping Federation has been in progress since the 13th of September last. The employers were advised only in the afternoon of the 12th, although they had had premonition that it would eventually be implemented. Instead of leaving permanent employees at their post, the Union ordered all checkers to report to the hall on the 13th; with the result that the work scheduled was completely disrupted. This was obviously a gesture made in an attempt to prevent the takeover of the dispatching from the hands of the Union officials. When this attempt failed, it has been demonstrated that the local has purposefully changed the cards of a group of spare checkers, issuing them smaller numbers which would show them as purportedly members of the Union. The result was that these individuals went to the hall and secured work which would have normally befallen to members of locals 375 and 1552. Moreover, there is some evidence that some checkers have resisted training the longshoremen and the shipliners who have made themselves available as checkers, so again as to disrupt the work schedule

and create havoc in the sheds thereby trying to prevent the implementation of the scheme.

Local 1552

I.L.A. local 1552 groups some 175 shipliners of which it appears that only 25% enjoy regular employment on the harbour; this situation will be remedied somewhat, however, through the agreement reached between the three locals in question providing for interchange between locals rather than hiring extras when there is an extra work load.

Discipline

Labour is solidly united and, because of the lack of unity in management, it has, for the last five years at least, been able, to all intents and purposes, to run the waterfront much as it pleased.

While management appears to be unable to exercise any kind of discipline over its working force, the Union, as will be shown later, appears to be able to police its membership far better through the imposition of fines on its members who "disobey" the business agent's orders.

This discipline exercised by the Union appears to be directed exclusively towards the preservation of control over its membership and certainly not towards the protection of cargo or port property.

An examination of the criminal records of those of the longshoremen, members of the Union who could be identified, shows that 30% thereof, hired within the last eight years, have a record for indictable offences.

The distinction concerning the number of years appears relevant since, because of numerous indications, the Commission is left with the definite impression that it is in this group that nearly all of troublemakers can be found. The older members seem to have lost faith in themselves in trying to teach the new members how to work. They have lost confidence in their employers who would not or could not support them in their endeavour to remedy this situation.

A survey of the ranks of all 360 regular members of the Checkers' Union, reveal that 25% of them have a criminal record for indictable offences.

Checkers and longshoremen caught stealing and actually convicted of theft on the harbour, have returned, after serving time, to work on the harbour, without management, or the Union, or National Harbours Board having taken any disciplinary measures.

As far as the unions are concerned, the constitution of the International Longshoremen's Association provides specifically at Section 21 of Article XXVII that : "Any member who broaches cargo or appropriates anything of value from on board a vessel or dock shall, when proven guilty to the satisfaction of his Local, be expelled therefrom".

It has been claimed by union officials that the case of Comtois vs l'Union locale 1552 des Lambrisseurs de Navires, et al, 1948 K.B. 671 prevented a local from expelling members in accordance with their relevant by-law. With all due respect, this decision deals only with the right of the president of a local to veto the acquittal of the accused by members of the union, and the availability of a recourse by way of mandamus against the union.

Insofar as National Harbours Board is concerned, it is empowered to forbid the presence of

any undesirable character on the waterfront by Article 17 of By-law A-1 which reads as follows: "The Board may without cause stop the entry of any person on Board property or reject any persons from Board property".

Public outcry, and pressure from other interested groups on the National Harbours Board, the Shipping Federation and the International Longshoremen's Association, finally brought the parties together under the chairmanship of the National Harbours Board in 1964, specifically to discuss the matter of theft and pilferage and the presence of undesirable characters on the waterfront.

In due course the parties resolved that cooperation between them would produce more than resorting to harsh measures.

Nothing happened until February 19, 1967.

In February of that year, the port Manager took it upon himself to apply Article 17 of By-law A-1, with respect of one individual who had been sentenced to 6 months in jail for an assault on a harbour police constable. The individual in question had also been sentenced to another 6 months in jail for theft

committed on the harbour. The port Manager addressed a letter to local 375 reading in part as follows:

"Conséquemment, la présence de monsieur ... sur la propriété du Conseil des Ports Nationaux au port de Montréal ne sera dorénavant tolérée en aucun temps et pour aucune raison".

The result was nil.

Indeed, the Commission has ascertained that this individual has been working constantly on the harbour since his return from jail for a total of 1,926 hours in 1967, 1,927½ hours in 1968 and 1,119¾ hours in 1969.

Needless to say, this individual is now a hero on the harbour as are a number of other characters who should have been expelled long ago from N.H.B. property. For years, the police has been asking the authorities to enforce Article 17.

The N.H.B., being unwilling or unable to exercise its authority through expulsion or suspension of undesirable characters from the harbour property, and, as will be shown later, being reluctant to put the onus on its lessees to do so, eventually resorted to a substitute consisting in the withdrawal of parking

permits from longshoremen. Surprising as it may seem, it appears that indeed the withdrawal of the parking permit in the harbour is considered by some as serious as imprisonment.

In fact, we are informed by the police that, in certain cases, when an attempt was made to withdraw a parking permit, port management and union officials descended upon the N.H.B. authorities and treated the matter as if it constituted a major and undue meddling by the N.H.B. in management-labour relationship. Threats of walk-outs and other related measures were made.

An examination of the regulations concerning the withdrawal of parking permits would certainly lead one to wonder what possible relationship there can be between the right to park a vehicle and bodily assault on a police officer or breaking and entry.

Formal regulations were carefully drawn up by N.H.B. listing specifically the type of offences which could result in the withdrawal of a parking permit. The police may remove a parking permit when one is accused or suspected of, amongst others, the following acts: assault on a police constable, breaking and entry, drunken driving.

A parking permit may be permanently suspended whenever the person has been found guilty by the court of the assault on an officer, breaking and entry and the carrying of firearms. In the case of possession or transportation of stolen goods one must have been condemned three times before the permit may be permanently removed as is the case for all other criminal offences.

The regulations then go on to provide for a review committee made up of the port Manager, the Chief of Police and the President of the local concerned. There are approximately 10% of parking permits which have been temporarily or permanently withdrawn but as the present situation demonstrates this substitute by the National Harbours Board for the exercise of its authority has given very meager results.

At the outset of our investigation, we were told by a large number of management representatives that the one solution to the present labour difficulties in the harbour was a complete clean-up of the union.

Strong assertions were made to us that there were Mafia connections within the union and that the union was harbouring organized crime. This Commission

has found no evidence of so called Mafia connection within the union and no evidence that the union is directly or indirectly condoning organized crime.

It is true that some form of organization is needed to carry out large theft and that the collaboration of at least one checker is necessary as well as that of a receiver, but this by no means necessitates the intervention of a Mafia-like organization.

It is also true that there are some small groups amongst members of the longshoremen and checkers union who are regularly involved in criminal activities, and who are well known not only to the police, but to the union officials as well as to management. On the other hand, the legal difficulty of proving the commission of criminal acts and the lack of action on the part of the National Harbours Board, of management and of the union, in respect of those individuals, has permitted them to continue with their irregular activities with almost complete impunity.

The union has included within the various gangs, members of this small group of troublemakers who are unwanted by contractors, by foremen and other

members of the gangs. The result is that almost every gang has to put up with two or three individuals who lead the way in refusing to obey orders and in treating the foreman as non-existent and who almost regularly threaten the walking boss and the foreman with bodily harm. These individuals will influence the younger men of the gang into indiscipline and into participation in various acts of violence. For instance, it would not be uncommon in some cases for the individuals above mentioned to destroy water cans and other property in the hold, or on the dock or in the shed, simply to demonstrate their independence vis-à-vis anyone who would dare to exercise any authority over them. In the case of one contractor, the deliberate destruction of water cans by such individuals amounted to more than \$2,200.00 for the year 1968. There are regular instances of fires on the walking bosses' car being slashed or his vehicle being damaged in some other manner. We also heard complaints of walking bosses and foremen being threatened at home by telephone and otherwise, and usually by the same small faction.

The union is fully aware of the harm caused by these individuals to the union's own reputation

because of their bad influence, and would gladly see a clean-up in this particular respect.

There is a considerable amount of pilferage of liquor in the sheds and in the holds of the ships. The personnel of the ships has been known to reward with bottles of liquor faster service on the part of gangs working in the holds.

In these circumstances it is not surprising to find that the consumption of alcoholic beverages - in particular beer - by the labour force, while engaged in the loading, unloading and checking of cargo, is treated as a matter of course on the waterfront.

Private security guards and even the harbour police have to accept the fact that some longshoremen will arrive at work in the morning with a full case of beer and that others will work with their bottles in full sight, having periodical recourse to same while carrying on their work.

Apart from consuming alcoholic beverages while working, a great number of longshoremen spend their spel'o or relief period and their luncheon period at a neighbouring tavern with the result that by the end of the day, it is not an uncommon sight

to see some longshoremen leaving work in a state of semi intoxication.

Amongst several incidents involving drunk longshoremen, one involved the operator of a winch on a ship who was so drunk that the men in the hold refused to continue working for fear of being hurt by the pallets swinging about the ship. The union called the safety inspectors who upon arrival at the ship were asked to remove the individual in question who, of course, was not in a mood to be handled forcibly. The safety inspectors declined to use bodily force and explained to the longshoremen that it was their responsibility to remove the individual from the operation of the winch. The longshoremen refused to do so and the event resulted in a cessation of work.

Needless to say the individual in question was neither suspended nor fired and the employer had no choice but to pay full wages to all concerned.

The union obviously did not feel that its member had not followed the union's moto which is set out just before the preamble to its constitution: "sobriety, truth, justice and morality".

It would be unfair to say that this state of affairs is the sole doing of the union. For years longshoremen in particular were treated in a manner reminiscent of the worst pre-union days.

Management

In England, as well as in other European countries, up to approximately 1947 the job of longshoreman was considered as the lowest form of employment and those seeking work in the harbours were generally considered as the rejects of society. With the rebuilding of harbours destroyed during the war, the scarcity of labour, the advent of technology and decasualization, the job of a longshoreman in those European countries is no longer considered as described above. In Holland, in particular, a harbour worker enjoys a high standard of living and his job is considered as one of the best skilled employment. In Montreal, it was only in the last 6 or 7 years that, with the formation of a stronger union, the increase in wages and the advent of technological changes, the status of longshoremen began to change. Up to then, the stevedoring contractors in particular cared

nothing about the concept of management-labour cooperation and took full advantage of the fact that their work force could be kept relatively quiet with higher wages and by management closing their eyes to their employees being involved in all kinds of irregular activities. In fact, during the existence of the shape-up system, a large number of strong-arm boys and criminals with long records used the harbour as an occasional work place when "things were quiet elsewhere in the city". This explains in part the large number of members of the union with a criminal record enrolled in the union within the last 8 years.

It can be said that until the last two years, there was no permanent mode of communication whatsoever between union and management. Up to 1965, union and management met almost only at the time of collective bargaining. The Shipping Federation conducted the negotiations through a Committee of its members and the dialogue had to be conducted through interpreters: It is difficult to see how in such circumstances any kind of rapport could be established between the parties.

In any event as soon as an agreement had been concluded, communication between employers and

employees was carried out between the stevedoring contractors individually and the various gangs who worked for them. Even at that level, communication between union as a whole and management was not only once removed but was parcelled out quite apart from the fact that there was and still is a definite language barrier between the parties. Stevedoring contractors dealt each in their own way with their own gangs and with their own unwritten ground rules. Quite obviously this left no room to any kind of unanimous action. Further, since working conditions would in this way vary from stevedoring contractor to stevedoring contractor there would always be one gang of men who would be dissatisfied with its own working conditions and, if it desired to walk-off, then union solidarity would prevail and all of the gangs would follow. In those cases, the other stevedoring contractors would prevail on their "guilty colleague" to give in to the union so that they could resume work.

In any event, even if there were occasions when all stevedoring contractors would agree to stay together, the Shipping Federation as a whole or through some of its members might prevail on the stevedoring

contractors not to risk a walk-off so that ships in port would not be delayed with the resulting large damages that would be sustained by the foreign shipowners.

Stevedoring contractors usually employ as dock superintendents retired merchant marine officers who sometimes can't communicate with their men in the language of the latter, quite apart from the fact that their background in the field of management-labour relationship is to say the least, somewhat limited.

Since in any event the walking boss' own authority is nil, at least until very recently when it was improved on paper (that is by the last collective agreement), it is difficult to conceive that there could exist any kind of cooperation without resorting to favouritism or related practices.

It is for this reason, in particular, that the stevedoring contractors are loath to abandon the parent gang system which is in process of being completely eliminated, through equalization of earnings by apportioning the work amongst regular gangs as well as amongst extras.

The parent gang system afforded the stevedoring contractors the opportunity of establishing some rapport with the men by using the same gangs as regularly as possible, but the result is that, with the rotation of the gangs themselves, some contractors end up many times with a "strange" gang and the small contractor who has less work to offer still finds himself more often with the less desirable gangs.

It seems evident however that as decasualisation progresses, through the use of the security fund, the parent gang system will have to be abandoned and the next problem will be to find a substitute for the anonymity of the worker that this will produce.

In November of 1966, the Shipping Federation took what it considered a major step in improving its relationship with the Union. It retained the services of Commodore Marcel Jetté who was later joined by Mr. Denis O. Pronovost, in March 1967, and for the first time on the waterfront direct and continuous communication with the Union began.

These two appointments have improved the situation but unfortunately management as such is still unable to work together as is evidenced by

the conflicts which continue to arise within the newly formed employers association and between it and the Shipping Federation.

Walking bosses and foremen

Up to the coming into force of the last collective agreement on the 11th day of June 1969, one of the striking features of union membership and one which certainly left very little room to management to exercise any of its prerogatives was the fact that, not only foremen but even walking bosses, were members of the Union.

The result was that walking bosses and foremen refrained from reporting any kind of illegal activity, such as theft and pilferage, on the part of the membership.

The walking bosses, and particularly foremen, found themselves constantly torn between their loyalty to the Union and the loyalty which a representative of management should demonstrate towards his employer.

This gave rise to instances, which were frequent in the past but which have diminished in the last year, where foremen were being fined by

the Union to the extent of \$30 and \$50 for each "infraction" for taking the side of management in conflicts between management and the Union. The system went so far that in many instances management would reimburse the foremen who had been fined by the Union in this manner.

The last collective agreement provides that walking bosses will remain "subject to the agreement but that the union could not pass any rule or regulation which might subject the walking bosses to any penalty or sanction as a result of an act committed in the performance of their duties".

This represents a first step towards removing walking bosses from control by the union but leaves them subject to the operation of the job security clause and submits them to the same rule as applies to other members of the union in respect of grievances.

In fact it seems that the walking bosses may be financially worse off than before the coming into force of the last collective agreement through the operation of the job security clause which calls for equalization with other members of the union in work opportunity. Whether the statement in the

collective agreement that the walking bosses, as representatives of management, cannot be subject to penalties by the union, is sufficient to remove the walking bosses from control of the very union whose workers he is supposed to direct and in which he is still a full-fledge member, certainly remains to be seen.

Our information at this time is that despite this change in the status of the walking boss the situation in regard to his authority is still the same as before. The walking boss has no authority whatsoever over the men who will take no orders and still continue to operate as in the past.

Nowhere in the ports of Europe visited by this Commission is the walking boss a member of the same union or local as that of the work force which he directs. In New York or Brooklyn the walking boss, who graduates from longshoreman to this position, is permitted to retain his right to return to the union, but must temporarily abandon his active membership in the union.

In England, for instance, walking bosses have their own local and would not, we were informed, by the executive of his union, walk off in the event of a strike by the longshoremen. Furthermore, it is customary in almost all of the ports for the walking boss to be a permanent employee and not have to depend on a job security fund which is susceptible of being exhausted before the year-end.

Absenteeism

During the existence of the shape-up system, prior to the coming into force of the Picard recommendations, it was not uncommon for a man to be put down as working in two gangs at the same time. The longshoreman would be first hired by one hiring boss and put down for one gang and then slip away to be hired by another walking boss, and he would eventually collect two pays for the same work. This custom was well known to the stevedoring contractors, but, had been accepted as a necessary evil from time immemorial.

With the introduction of the Picard recommendations and the rotation system as well as the hiring hall and the dispatch office, this practice had to

disappear. It seems, however, that the practice of a longshoreman being able to be counted as present on the job, although absent past his spell'o period, has remained constant in some quarters, at least until very recently.

It is not an uncommon practice for gangs working in the hold to make arrangements between themselves, whereby out of 4 men working one side of the hold, one or two are allowed by their companions, each in turn, to remain absent or simply not work for an hour or so, in addition to the rest or spell'o period. The result is that, often, while the employer is paying for 8 men working in the hold (two groups of 4) he has often only 4 men working for him.

In many instances, of the 4 men remaining in the hold, there might be one or two who physically have reached a point where they are no longer able to work as hard as the average longshoremen, and thereby make up for the reduction in the work force. There is no need to comment on what the effect of these practices can be on productivity.

We are informed that a situation similar to the one just described exists on dock between the

winchman, the signal man and the relief man.

There are timekeepers, who are supposed to check from time to time the presence of employees but the custom has been for timekeepers to report those men present although they know full well that as many as 2 and maybe 4 men may be missing for periods extending up to 4 hours. The practice is condoned by the employer himself who realizes that retaliation by the union would ensue.

While visiting various European ports, the Commission was told that the reputation of the Port of Montreal in Europe was the same as that of the English ports: slow turnaround time, low productivity and strike ridden. In this connection, it is interesting to see what the Devlin report, in 1964, had to say about walk-outs and absenteeism in the ports of Great Britain. The Devlin report mentioned this state of affairs as dating back to at least 1951 and quoted a previous investigation which had said: "It appears to be incredibly easy to bring dock workers out on strike. We were given repeated instances of men stopping work almost automatically, with little or no idea why they were stopping. In the words of

one witness, himself a dock worker, 'All that was needed was for a man to go round the docks shouting "all out" and waving the men off the ships, and out they would come'."

This strangely resembles the situation which prevailed in the harbour of Montreal until very recently where in addition to wildcats the "wet shirt" system was in force: This consisted in union stewards and other self-appointed union officials supervising the men so that they would not work so hard as to get their shirts wet.

The last collective agreement, evidently to remedy this state of affairs, now provides that: "in the discharge of their responsibilities, the President and the Business Agents shall never interfere in the progress of the work of the employees nor hinder the Companies in the exercise of their rights to determine and direct the operation methods and procedures in conformity with the prescriptions of this Collective Agreement". A clause in a collective agreement regulating union activities in the work place is normal, but that it should be necessary to provide in writing in a collective agreement that

the Business Agents "will not interfere in the progress of the work" is an indication of the existence of what in other industries would be considered, to say the least, as an unhealthy state of affairs.

In dealing with employment practices Lord Devlin criticized the time-keeping practices in existence in London and Liverpool. He pointed out how "spelling" and "welting", that is time given employees for resting during work hours, degenerated into employees slipping in and out of work for longer periods on their own time with the connivance of their supervisors. He pointed out (that it was argued) that the initiative to cure this, lay with the employer and the employers were blamed for having allowed the situation to become as bad as it was. One reason given by employers for the practice was that attempts to check the presence or absence of men at a particular time were frustrated "by their refusing to identify themselves".

One paragraph of the Devlin report so closely describes the Montreal situation as to merit quotation in full, page 21, paragraph 53: "Why, it may be asked, have things been allowed to get so bad? If men are

walking off the job at 6.15 p.m. when work has been prepared for them till 7.00 p.m. what are the supervisors and foremen doing about it? Do they report the offenders? Their answer is that they do not and the explanation for that is that, were they to do so, it would cause even worse industrial trouble. That may be a valid explanation at this stage but with better supervision and foremanship in the past this stage might never have been reached. The first task therefore is to remove the causes, of which the casual system, casual employers as well as casual workers, is the chief, that make good supervision and effective discipline difficult. Thereafter, as many hope, regular employment should improve the climate to such an extent that the disease can be cured. But if within a measurable time it is not, then as we have said in relation to irresponsibility (a), the powers of the Board must be used to the full, whatever the consequences may be."

Amenities

The last collective agreement provides that additional amenities will be installed for longshoremen in the vicinity of their work place such as restrooms

with showers in the dirty cargo areas and that mobile canteens will be allowed to circulate on the docks at fixed schedules.

It adds that benches will be installed so that the men may enjoy their relief time in their work area.

It has been noted by the Commission that the few mobile canteens in operation most of the time show up only at irregular intervals and supply a limited number of items at a price higher than that charged in restaurants, thus giving the longshoremen a ready excuse to get away from their job.

At this time, there are 3 restrooms as such for the longshoremen on the dock area. These restrooms were built at the cost of approximately \$400,000 and are all located at the center of the waterfront. It might have been better to spend less money on three restrooms and build more of them in more strategic locations but they certainly constitute a radical improvement with the situation which prevailed less than a year ago. As for the toilet facilities they used to be disgustingly filthy: yet, the leases of the shipping agents with the National Harbours Board

provided that along with the rest of the sheds they were to be maintained in a proper and clean state by the lessees.

The lessees complained that it was the longshoremen who were responsible for this state of affairs.

Approximately one year ago, after this Commission began its investigation, the N.H.B. took over the cleaning of longshoremen's toilets which now present a clean appearance, a fact which would tend to demonstrate the falsity of the assertion by the lessees that longshoremen were responsible for the situation.

The foregoing may look at first sight as of little importance in the general context but the fact that the National Harbours Board was unable or unwilling to force its lessees to carry out their obligation to keep their premises clean and eventually had to do the work itself leads one to wonder whether the National Harbours Board considers that it has any right or duty to force its lessees to live up to their obligations ... unless of course the lessees feel that in any event they are not receiving their full share from the National Harbours Board.

Hiring and dispatching

The last collective agreement, on paper, represents a very marked improvement over the former one. Everyone on the waterfront states that if it is put to work the present situation will improve, but, at this time, the Commission finds no evidence that it has significantly improved or that the parties have finally succeeded in getting together in correcting the sorry state of affairs, described earlier, and which everybody admits must be cured if the harbour of Montreal is to prosper.

One of the prerequisites for a collective agreement to work, is that it is fully understood by all concerned. As is stated elsewhere in this report the Shipping Federation, the stevedoring contractors and the newly formed Employers' Association still do not agree on the interpretation to be given to some basic clauses in the collective agreement.

As for the National Harbours Board it was only some two months after the Gold Award came out that a copy of it was dispatched without comment by the Shipping Federation to the Montreal port Manager.

Needless to say the National Harbours Board was not involved in any way in the negotiations and certainly has no intent of getting involved in the least degree. As for the union the majority of its members understand little if any of the workings of the job security clause and the seniority clause in particular is already producing complaints of unfairness and undue preferences.

Management considers that the operation of the hiring hall is one of its prerogatives.

When the Picard rotation system was introduced, an attempt was made by management to establish a hiring hall which would have been run exclusively by management. The Shipping Federation arranged for premises on St-Paul Street where the hiring hall was to operate. The union refused to recognize this attempt to organize a hiring hall and in retaliation against management completely ransacked the premises removing even heating coils and plumbing.

In due course, the Shipping Federation had to compromise with the union and arrived at a system whereby the Shipping Federation runs, from its own offices, the roster of employees and the union runs

from premises put at its disposal by the Shipping Federation the dispatch of employees.

Our investigation has revealed, however, that both parties are dissatisfied with the manner in which the hiring hall operates and, at this juncture, it seems impossible to expect that they will ever agree on the manner in which it should operate.

Other clauses in the agreement such as that relative to the relief period, which were already in the Picard report are still misinterpreted, sometimes willfully.

The rotation system continues to produce dissatisfaction amongst both stevedoring contractors and the union members. Threats by all sides of resorting to court proceedings including a challenging of the Gold Award itself as a whole are made sporadically.

Quebec and Trois-Rivières

Problems of the membership within the Trois-Rivières local and the Quebec locals are substantially the same as in the Montreal locals although proportionately smaller due to the size of those locals.

Amongst problems investigated in Trois-Rivières and Quebec are the following: In Trois-Rivières, for instance, reference is made to the recent case of Oscar Tourigny vs Norman Quigley et al S.C.T-R. 33025, where the election of the local president was set aside due to irregularities. The conduct of this particular member of the union, who happens to be also International Vice-President for the Atlantic sea ports, was likewise castigated during the course of a hearing before Mr. Justice Gold following his dismissal by his employer.

In Quebec, one major problem which has been plaguing the waterfront for years is that of a small group of workers, members of another union who were, literally forcing truckers to use their services in unloading cargo on the waterfront: one

particular trucker went to all levels of authority in the National Harbours Board in order to obtain protection but to no avail. Representations of trucking operators and of the local Chambre de Commerce were completely ignored despite the fact that the situation was well known to the National Harbours Board and admitted to be extremely bad for the local trade.

We understand that through the International Vice-President of the Atlantic sea ports, an attempt is being made to incorporate within the Quebec city I.L.A. jurisdiction the individuals who have been responsible for this state of affairs in the past or to certify them into another I.L.A. local and undoubtedly the situation may well not abate unless strong disciplinary action is exercised locally.

d) The National Harbours Board

An examination of the operation of the harbour of Montreal leads this Commission to conclude that the National Harbours Board in Montreal, insofar as the handling of freight is concerned, is nothing more than a caretaker of dock facilities for the benefit of shipping agents and stevedoring contractors. The National Harbours Board runs its grain elevators, it polices the Champlain Bridge and the Jacques-Cartier Bridge and its section of the Bonaventure Autoroute; it polices areas surrounding its sheds, it provides engineering and technical services generally connected with the harbour, but it has nothing to do in any way, shape or form with the operation of its sheds and the manner in which freight is taken care of, within the harbour. It exercises to all intents and purposes no authority on individuals and companies having business within the harbour.

The result of the foregoing is that the harbour of Montreal is like a vast market place where everyone is free to enter and depart at leisure, to steal, to get intoxicated, to carry on gambling, to fight and generally to carry on as if the harbour of Montreal belonged to no one in particular.

There are fifty (50) sheds in the harbour of which eight (8) are used by the coastal trade; two or three are used for daily rentals, and the balance, approximately forty (40) in number, used for ocean going cargo. The National Harbours Board derives two types of income from its shed area; wharfage which is collected by the agent on behalf of the National Harbours Board with a collection charge of 5%. The agent who is also a lessee of the shed must guarantee a minimum wharfage. In addition, the agent leases the shed on a yearly basis on a square footage basis, determined in accordance with the possibilities of the shed, its equipment and its size.

The shipping agent is the only concern to which the National Harbours Board will rent shed facilities. Sheds are leased to various agents apparently on the basis of the importance and the number of lines that they represent.

In order to obtain a lease for a shed, an agent must first demonstrate that he has a sufficient number of lines as clients. It appears, however, that one can hardly solicit business from lines if he is

to operate from Montreal, unless he is able to assure prospective clients that he has sheds to service them. One then runs into a vicious circle since one cannot obtain a shed without first having secured a sufficient number of clients. In any event, it is difficult to see under the present system which shed could be suddenly leased to a new lessee as practically all sheds remain with the same operator year after year.

Indeed, one would tend to draw the conclusion that the obtaining of a lease for a shed in the harbour of Montreal is the equivalent of obtaining a license to carry on business. We understand that stevedoring contractors have asked regularly for the lease of a shed but have consistently been turned down. The reason behind this policy dates back to the years when stevedoring contractors were nothing more than sub-contractors for shipowners in securing labour for the loading and discharging of vessels. In those days, a large number of shipowners operated from Montreal and has a large investment in the harbour; stevedoring contractors were sub-contracted with, almost on a daily basis, solely through the shipping agents.

At that time, stevedoring contractors had little or no investment in the business and, understandably, their interest in the harbour of Montreal was somewhat limited. This was the policy in the ports of New York and Brooklyn but this policy has now been abandoned by the port authorities in those cities where stevedoring contractors now represent a large proportion of the lessees of the sheds and have a substantial capital investment in their business. Despite the fact that in Montreal, stevedoring contractors are no longer the small operators of the past, but must provide equipment which involves a capital outlay varying between \$5,000,000 and \$2,500,000; the policy of the National Harbours Board is still to lease sheds exclusively to shipping agents who, apart from those engaged in house stevedoring, have little investment except in office furniture.

It would be unfair to say, however, that shipping agents do not have to run financial risks in assuming obligations and in running their business. While the shipping agent charges a fee for outgoing cargo, his only income on incoming cargo is his mark-up on clerking, checking, guarding, related services and on rental of space in his shed to the shipowner.

The lessee of a shed is not only put in a dominant position to carry on his business of shipping agent but, is also put in the position of being able to exercise pressure on the stevedoring contractors whose clients, even if secured directly, must nevertheless use the shipping agents' sheds.

The Commission has ascertained that in many instances a large part of the shipping agents' income is derived from his cargo for the use of space in his shed for incoming cargo over and above the rental being paid to the National Harbours Board. That the granting of a lease to a shipping agent is a highly valued privilege is demonstrated by the attitude of the National Harbours Board authority in Montreal who, if a lessee asks for some improvement, for fencing for instance, will advise him nonchalantly that if he does not like his shed it can always be let to some other interested party.

In those circumstances, it can be easily understood that the shipping agent is loathe to criticize or demand anything from the National Harbours Board for fear of upsetting the "proverbial appplecart".

For its part, however, once a lease has been granted, the National Harbours Board not only does not bother its lessee, but because of its philosophy of complete liberalism may have justified the writer of the article on the Port of Vancouver, in The Importers' Bulletin of August 26, 1969, at page 1, to say:

"The National Harbours Board appears to have a happy faculty for getting into a position where their tenants (the terminal operators) and their suppliers (the Steamship Conferences) can tell them to go jump in the lake (or more appropriately, off the wharf). It is this appalling lack of control that makes the Association more than hesitant in giving approval to National Harbours Board proposals for terminal operations at Montreal and other Eastern ports."

The Commission has witnessed one such example in the case of an agent taking upon himself to set illegal warfage rates on containers, for 10 months, in spite of by-law B-3, thus inviting others to do the same, to avoid unfair competition, and thus creating a very unhealthy situation.

The National Harbours Board leaves the agent completely free to do whatever he likes in his shed. In fact, we were told during the course of our inquiry, that the National Harbours Board doubted that its police had any business in its lessee's sheds. With the result, that the Board's police were not able to enforce any National Harbours Board regulations within the sheds with respect to smoking and drinking for instance, let alone the theft and pilferage of cargo.

The regulations pertaining to leases entered into with the various shipping agents contain several clauses which would give the National Harbours Board the legal right to cancel same or at least to threaten cancellation of same, for the failure of the lessees to keep the premises orderly and to occupy same peacefully. The smoking and drinking, the gambling, the loitering and the stealing which is permitted to be carried on in the sheds by the lessees alone would give the National Harbours Board more than sufficient reason to demand enforcement of National Harbours Board's regulations under pain of cancellation of the lease.

The Commission has attempted to find instances where the National Harbours Board has attempted to exercise its authority in this manner, in order to remedy the state of affairs prevailing in its sheds, but has found none. When pressed on this issue, we were informed by the National Harbours Board authorities, that its policy was to allow shipping agents to freely operate their sheds and handle cargo, and that the Board would not consider that it was its duty to intervene in matters which might lead to labour conflicts, since a rigid enforcement of the National Harbours Board's regulations or of the provisions contained in the leases would ultimately result in labour being directly affected.

A typical example of the attitude of the National Harbours Board in this respect is the matter of cleaning the longshoremen's toilets which is referred to earlier under the section dealing with unions.

Longshoremen had been complaining for years about the state of the toilets and the only solution that the National Harbours Board could find to remedy the situation was to assume this job itself and attempt to charge it back to the lessees.

The Commission concludes from the foregoing that the National Harbours Board is absent from the harbour of Montreal in all matters concerning the handling of freight and that its present policy with respect to leasing of sheds is an abdication of its own responsibilities in serving the public.

It may be that the present situation cannot be corrected through a more rigid policy in respect to leases, but the Commission is convinced that, if initially the National Harbours Board had closely supervised the use of its sheds, present conditions in the harbour of Montreal, at least with respect to theft, pilferage and criminal activities would not be what they are today.

A typical case in point is the following: With very few exceptions cargo is not sorted in the sheds. One of the reasons given by shipping agents and stevedoring contractors is that stowage plans from some ships do not correspond to the actual stowage aboard ship when it arrives in port. Many of the guilty ships arrive from London where loading is done concurrently from dock's side and from barges.

The result is that goods are loaded in a helter skelter fashion and that a stowage plan is almost useless to the operator. In Europe, when a situation like this presents itself, an extra charge is made on the shipowner for the additional work which bad cargo stowage represents to the handler at the port of arrival.

In the majority of the ports in Europe, a check is made of the goods being discharged on the apron, so that a report of missing articles can be made. In the harbour of Montreal, the shipping agent is not responsible for goods stolen in his shed; the shipowner is insured and the shipping agent's interest, as far as his client is concerned, is to insure a fast turnaround of the ship and to save the shipowner any extra cost such as hatch check and extra charge for bad stowage plans. Then the local interests are left to foot the bill for missing cargo, directly, or indirectly through an increase in insurance premiums, quite apart from all other inconveniences.

If the National Harbours Board had always exercised a close supervision of the operation of the sheds in the interest of the public, it would certainly have made sure the loading and discharging of cargo, as called for in the National Harbours Board Act, was done properly.

It would likewise have made sure that no criminal activities would have taken place in the sheds and it would have enforced its other regulations with respect to smoking, drinking and gambling.

Reference was made earlier to the authority of the National Harbours Board to exercise discipline in respect of individuals breaching its by-laws. As outlined earlier, the only device by the National Harbours Board to exercise some authority is the withdrawal of parking permits.

It must be said in defense of the local authority of the National Harbours Board that the local port Manager operates under no terms of reference whatsoever. He has no written contract of employment and whenever he attempts to do anything which might deviate from the pattern herein above described, he feels that he is overstepping his authority.

The port Manager in Montreal, is left to himself to fence with his own labour problems in dealing with the unions representing the employees of the National Harbours Board, and in trying to meet the complaints of the public including truckers, importers, exporters and shipowners.

Since the operation of the harbour in matters that concern the public directly, that is handling of cargo is left completely in the hands of the lessees of the sheds, he usually finds that there is little pressure that he is allowed to exert on the parties to force them into some kind of collective or individual action.

In the meantime, whenever cargo is lost or stolen or whenever a major incident, or any incident for that matter, affects the harbour of Montreal, the port Manager is left to answer for the harbour as a whole, without being able to blame either of the shipping agents, the stevedoring contractors or the unions, for fear of either provoking a strike or of being accused of avoiding the issue.

To our surprise, we found that he does not even have the authority to engage in public relations overseas on behalf of the port of Montreal. Yet, the Commission has found during its investigation in Europe, that other major ports in the world and ports of lesser importance, such as that of Toronto, kept regular personal contacts with shipowners and exporters throughout the world.

As for Trois-Rivières and Quebec, it could take months for the manager to obtain the authority to publish an add in the local publication, much less engage in public relations on international level.

e) Customs Authorities

The Customs and Excise section of the Department of National Revenue is only concerned with the collection of duties and there is no problem in this respect since customs and excise duties are to the extent of 99% collected on the basis of the manifest and bills of lading although there is reason to doubt the legality of such a practice. There is consequently no obligation or incentive insofar as customs and excise personnel is concerned to prevent or curtail theft or pilferage.

It should be noted, however, that constant shortages in cargo operate as a deterrent and cause for complaint to the customs authorities in the case of the importer who is either unable to obtain delivery of his merchandise or receives it too late to make profitable use of it.

Customs and Excise authorities in Montreal have for sometime attempted to impress upon the port authorities, shipping companies, agents and stevedores the necessity of remedying this situation which, in the long run, penalizes not only the importer but also

the Department of National Revenue by reason of the resultant loss of business to the harbour of Montreal.

However, new customs regulations, set out recently, appear to remedy more a decrease in the strength of the personnel than the existing conditions as to illegal activities.

f) Truckers

While there would seem to be little doubt that among the ranks of the longshoremen and checkers there are a substantial number who have been involved in pilferage, it is far from suggested that all longshoremen and checkers are dishonest or that they alone have been guilty of pilferage or thefts. On the contrary, there have been important thefts which we are convinced could not have been perpetrated without the involvement and co-operation of persons other than longshoremen, some of whom occupied positions of responsibility.

Although trucking companies have expressed concern over theft and pilferage on the part of their drivers (and whatever police files exist support this view) it should be pointed out that their legal responsibility for this, is in no way involved, since their responsibility for cargo only starts when it is loaded aboard their trucks.

There is little doubt that a large number of truck drivers, allowed to roam freely within

the sheds and therefore able to remove cargo from the harbour, are responsible in large measure for thefts and pilferage.

However, it is difficult to see how third parties can be involved in theft and pilferage without the complicity of some of the personnel working within the sheds, particularly that of the checkers who have the responsibility of checking cargo.

One is appalled at the confusion which exists in many sheds and the exposure to theft of goods which are often stacked in the utmost disorder. Doors are for the most part open and unguarded, permitting free access to the sheds on the part of the hundreds of persons who circulate on the waterfront, many of whom have no legitimate business there.

g) Private Guards

Some effort to prevent the foregoing situation is demonstrated through the hiring of private guarding agencies. The results are almost nil: the private security agencies compete with one another to give the best possible prices for "watching services" and naturally end up recruiting the least expensive personnel, with little regard to their competence or reliability.

In fact, it is apparent that such "security" on the harbour is nothing more than an insurance company's minimum requirement with which the shipping agents and stevedoring contractors comply at the lowest cost possible.

h) Montreal Port Council

The Montreal Port Council was established in 1961. Its membership includes representatives of various public bodies, e.g. City of Montreal, Montreal Board of Trade, University of Montreal, University of McGill, Chambre de Commerce, etc., as well as representatives of various companies engaged in or connected with shipping, transportation, etc.

In the Montreal Harbour Handbook (1961-62) prepared by the Montreal Port Council in cooperation with National Harbours Board at page 25 are set out the terms of reference or objects of the Montreal Port Council. It is apparent that, generally stated, the object of the Council is the endeavour to promote, foster and protect the Port in the interest of the Montreal economic region and to work with all levels of government in respect to functions and service contracting to the port efficiency and growth, promote and develop traffic through the port and "provide facilities related to the harbour which will encourage industrial development in the Montreal economic region".

It is apparent that it is no part of the object or function of the Council to intervene in matters relating to the actual operations being carried on in the port, or in respect to the relations which exist among these organizations or groups which carry on their operations. The objects of the Council are rather to promote the interests of the Port of Montreal generally and so far as possible preserve and improve upon its reputation and prestige.

The Montreal Port Council therefore, while it may have an important function and may render valuable service, was not designed to and in fact does not attempt to co-ordinate the interests and activities of the various groups or corporations which carry on operations in the port, e.g. Shipping Federation of Canada Inc., Stevedoring Contractors and Unions, or attempt in any way to bring about co-ordination of effort and unity among these various groups and organizations.

CONCLUSION

The factors and circumstances referred to above, contribute in one way or another not only to a situation in which theft, pilferage and other illegal or irregular practices on a large scale are possible, but also to labour unrest. It is clear that the basic and underlying reason why this is so, is the lack of overall direction, supervision and discipline, all of which point out to an urgent need for the creation of a strong local dock board.

This need is obvious not only in regard to matters relating directly to the eradication of crime and abuses on the waterfront, but is vital also in the larger context of labour-management relationship and the future operation and administration of the harbour.

The nature, creation and possible functions of such a local dock board will be dealt with in Part II of this report.

SECURITY MEASURES RECOMMENDED
IN THE PAST

It can be said that, starting possibly in 1960 and at least certainly since 1963, the National Harbours Board had available sufficient information on the situation prevailing in the harbour of Montreal and had ample opportunity to analyse and initiate the adoption of at least some of the most important security measures which had been recommended for adoption by its own personnel, as well as by other organizations connected with operations in the harbour of Montreal.

As stated earlier, at least three extensive reports were submitted by the R.C.M.P. to the National Harbours Board between 1963 and 1966.

As early as December 1960, the Port Manager of Montreal had expressed the opinion to the National Harbours Board that watching services should be taken over by the harbour police, that

checking should be done by customs officers or National Harbours Board employees, that fencing of the whole harbour should be carried out and that the police force should be increased to meet new demands.

It was in the month of January 1967 that Mr. Jules Deschênes, Q.C., was commissioned by the Montreal Port Council to investigate and report on the problem of pilferage and theft in the Port of Montreal.

It was in July of the same year that Mr. D.N. Cassidy, formerly of the R.C.M.P. and now Director of all National Harbours Board Police forces, was instructed by the National Harbours Board (Ottawa) to make a study and report his findings concerning the policing and security of National Harbours Board property and in the port of Montreal in particular.

In a typical display of lack of cooperation and coordination between the various organizations in the harbour, both the National Harbours Board Headquarters and the Montreal Port Council were aware that each was initiating an extensive inquiry by two different persons on the same matters.

The only difference in the approach of both bodies is that according to our information the Montreal Port Council had been refused by the National Harbours Board Headquarters the opportunity of examining the R.C.M.P. reports already made in the past five years.

Mr. Cassidy submitted his report on December 14th, 1967 and Mr. Deschênes filed his on December 30th, 1967.

While these reports were more extensive and more technical in nature than the previous R.C.M.P. reports, they contained, substantially the same information.

The recommendations in these various reports dealt with the following items:

The reorganization of the police department of the National Harbours Board, including the augmentation of the members and the extension of its jurisdiction as well as the formation of a criminal intelligence unit;

Strict control or complete elimination of private guarding agencies;

Fencing of the harbour property as well as of sheds within the harbour property;

Restricting access of harbour to unauthorized persons and vehicles;

Establishment of marshalling yards directing trucks to various sheds;

Replacement of the old form of dock receipts, providing a better means of accounting for goods received and delivered in the sheds;

Regulations with respect to sorting of goods;

Enactment of by-laws prohibiting gambling, loan sharking and drinking;

Identification system for those having business in the harbour and licensing and regulating of licensing for stevedoring contractors and longshoremen;

Bonding of checkers;

Establishment of a Cargo Loss Bureau.

In addition, the Deschênes report makes a special recommendation with respect to the converting of all operations into terminal operations under the aegis of the National Harbours Board and suggests the formation of some tri-partite body responsible for the enforcement of some of the above measures.

It must be noted that the most important of these recommendations, namely the reorganization of the police force and the extension of its services to watching cargo, fencing, replacement of dock

receipts, identification of checkers and longshoremen and banning of gambling and book-making, were contained in a memorandum prepared by the Shipping Federation and submitted to the National Harbours Board as early as January 1961, and also in submissions made in the past five or six years by the Montreal Chamber of Commerce, the Canadian Board of Marine Underwriters and the Importers and Exporters Associations.

Despite the foregoing, it was only in May 1968, after the Cassidy report made on December 14th, 1967, had been approved in principle by the National Harbours Board, that reorganization of the harbour police started with the appointment in Montreal of Inspector Leslie Hobbs as Director and Captain Rolland Brunette as Assistant Director reporting directly to Mr. Donald Cassidy in Ottawa.

The fact that the implementation of some recommendations has been so long delayed has not been explained satisfactorily but possibly may, in part at least, be accounted for by the apparent lack of

rapport, collaboration and consultation between the National Harbours Board in Montreal and the National Harbours Board in Montreal and the National Harbours Board Headquarters, concerning which we have heard complaint and to which further reference will be made.

We are left with the impression that this complaint is not entirely without justification when we learn that the Cassidy report, which was made on the 14th day of December 1967 at the instances of the National Harbours Board (Ottawa), has never been communicated to the Montreal Port Manager, as was the case with the previous R.C.M.P. reports, a circumstance which bears out the complaint that the latter's authority is ever diminishing, contrary to the trend observed in other countries, as well as in Canadian Harbours Commissions which is towards greater efficiency through local, as opposed to centralized management. Moreover, it appears that he was not consulted in connection with the conducting of the survey made for the National Harbours Board by Mr. Saviourin (who joined the National Harbours Board on March 7th, 1968). Apparently, the Montreal Port Manager had no knowledge of what the report would contain until it was put on his desk in completed form early in August 1968.

SECURITY MEASURES
ALREADY IN FORCE

As stated above, the National Harbours Board has now started to adopt some of the measures recommended as early as 1960 and again recommended in the Deschênes and Cassidy reports, namely:

1. Reorganization of the police force;
 2. fencing;
 3. establishment of marshalling yards;
 4. use of a new form of dock receipts;
 5. cargo loss bureau.
-

1. Reorganization of the police force

The appointment of Mr. Leslie Hobbs early in 1968 as Director, and of Captain Rolland Brunette as Assistant Director, of the National Harbours Board Police Department at Montreal was an important and highly commendable step towards the implementation of the first of the recommendations above mentioned.

The Harbour Police Department under the able direction of Mr. Hobbs has been reorganized, a proper record system introduced and an augmented force created, the training of which is still in progress. The force now comprises the Director, Assistant Director, one inspector, 4 captains, 12 sergeants and 81 constables. Of these, 5 constables and one captain are assigned to criminal investigations in plain clothes. The National Harbours Board has approved the hiring of 18 additional constables.

Already the force shows the efficiency and morale which appears to have been woefully lacking prior to this reorganization. It may well be that this improvement is reflected in the fact that within the last year the incidence of crime on the waterfront appears to have somewhat abated in that, whilst theft

and pilferage is still important, large-scale robberies requiring gangland organizations have not been known to happen.

In fact, the Commission has noted during the course of its interviews that this first step towards the establishment of some appearance of law and order on the waterfront has at least acted as a deterrent to outsiders who in the past were responsible for the organization of large-scale thefts.

Conclusion

We are satisfied that under the direction of Mr. Donald Cassidy, General Director of Police and Security for the National Harbours Board in Ottawa and Mr. Leslie Hobbs, Director of Police and Security in Montreal, the Harbour Police has embarked on and is following through with a programme of training and equipping its personnel which will eventually enable it to properly carry out its duties on the harbour.

2. Fencing

The establishment of an effective police force however also goes hand in hand with a system of fencing enabling a proper control of those entering the harbour and the sheds.

The fencing of harbour property comprises not only perimeter or boundary fencing, but also "facility fencing", i.e. fencing of individual sheds or groups of sheds.

The Sabourin report makes no reference to "facility fencing", of which a certain amount has already been installed. It may well be that it is considered that when the proposed perimeter fencing is completed, with gates and guards provided, and when the police force is augmented and organized, a proposed "facility fencing" will be less of a necessity.

The report submitted to this Commission by Mr. Mann on January 17th, 1969, indicates, as we understand it, that the following physical protective measures have either already been taken or are in the course of being provided:

(a) Gates Installed:

Bickerdike Lane - closes 7 p.m. to 7 a.m.
(closed at night in recent months)

Mill Street - closes 7 p.m. to 7 a.m.
(closed at night in recent months)

Berri Street, Papineau Underpass, Pie IX
Boulevard, Viau Street, Bossuet Street,
Boucherville Street.

(b) Open Entrance:

McGill Street - presents an engineering
problem for the installation
of gates.

N.B. Since the meeting with the Commission on December 19th, 1968, Mr. G. Beaudet, Port Manager, issued a public notice on January 6th, 1969, that effective that date the following entrances to Montreal Harbour will be closed each night from 7:00 p.m. to 7:00 a.m., Monday through Saturday, and all day Sunday: Berri Street, Pie IX Boulevard, Bossuet Street, Boucherville Street.

Entrances at McGill Street, Papineau Avenue and Viau Street will remain open at all times, except in case of emergency, until further notice.

(c) Entrances Closed 1968:

Jacques-Cartier - fenced off

Dezery Tunnel - sealed off

(d) Perimeter Fencing:

New fence was installed along Sections 38 and 42. Repairs were made to fences in upper harbour area.

(e) Perimeter Fencing 1969:

The remainder of the harbour (east of Section 42) will be fenced in early spring, so that the entire harbour will be fenced and gated.

(f) Shed Fencing:

At the request of lessees, the National Harbours Board installs shed fencing around sheds, complexes, etc., at the expense of the National Harbours Board recovered through a slight increase in rental rates. A plan was submitted to Port management under date of October 11th, 1968.

(g) Lighting:

Some protective lighting was installed in 1968 including the Papineau Street underpass. Substantial projects are planned for 1969, particularly in the East end around Boucherville entrance.

(h) Manning Gates:

On September 25th, 1968, a follow-up to the report of July 19th, 1968, was made available to Port management on the manning of gates.

We were informed by the National Harbours Board authorities that the delay in completing perimeter

fencing resulted from such problems as the necessity of relocating roads, railways and sidings and the complementary requirement of exchanging parcels of land or making expropriations, filling underpasses, constructing retaining walls, demolishing buildings, etc. This also involved the closing of several old entrances. Whereas there were originally 25 entrances to the harbour property there are now only 9. The costs incurred over the past two years amounted to \$238,076 in 1967 and \$274,625 in 1968. The Montreal Port Manager estimates the cost to complete the perimeter fencing, including four gates, in 1969 to \$18,000.

The Port Manager also anticipates a further expenditure of \$37,500 on facility fencing including 14 gates during 1969 and indicates that there is little additional property that would lend itself to this type of fencing due to railways and lack of outside storage and parking areas. The total anticipated costs for 1969 including contingencies amounts to \$60,000.

The Sabourin report, which is hereto appended as Annex B, is dated July 19th, 1968.

This report outlines four plans. Plan A covers perimeter fencing, gating and protective lighting. Plans B, C & D are extensions of Plan A. They deal with the manning of gates, permits and marshalling yards and may be implemented either individually or in a combined form.

The gating covered in Plan A, as modified, has been completed with the exception of the McGill entrance.

Plan A

Gating:

At the time of the report, there were nine entrances to the harbour - Bonaventure, Mill St., McGill St., Berri St., Papineau, Pie IX, Viau, Bossuet and Boucherville. Gates have been installed at these entrances with the exception of the McGill entrance which has been delayed pending solution of engineering problems. In addition, a temporary barrier only was installed at this time at the Boucherville entrance due to a dispute over property rights.

Mr. Sabourin advises closing six entrances during silent hours (7:00 p.m. - 7:00 a.m.). The

original intention was to leave McGill St., Pie IX and Bossuet St. entrances open and supply keys for Papineau and Boucherville gates to the responsible fire stations. These entrances would be used as fire response routes. However, to accommodate Canadian Vickers, Papineau and Viau entrances were substituted for open entrances at Pie IX and Bossuet. In lieu of this change, Pie IX was deemed a fire response route and gate keys were given to the responsible fire station.

Protective Lighting:

The report recommends illumination of boundary fencing to .02 foot candles, footpaths and pedestrian gates to 1 foot candle, and vehicular gates to 2 foot candles.

As the costs involved are excessive in relation to the security benefits, this item of the plan has been referred to the National Harbours Board's engineering department for further study.

Fencing:

The report recommends a chain-link fence along the entire boundary as far East as Section 79.

This involves construction of a new fence in Sections 73 and 75 to 79 and repairs in Sections 57, 59, 61 and 74. This work will be completed during 1969.

Plan B

Manning of Gates During Silent Hours:

It was originally proposed that the open entrances at night be manned and the guard houses required at these locations be equipped with toilet, communication facilities and furniture. Due to the cost of wages for security guards a new proposal (Plan B2), covering the manning of gates, was submitted by Mr. Sabourin to Director Cassidy on September 25th, 1968, in order to reduce these costs. No action has been taken to date on this plan.

Permits and Passes:

Seasonal and temporary permits for regular and occasional truckers and suppliers and one trip passes for occasional visitors are recommended. Permits would contain a proviso whereby the National Harbours Board reserves the right to search any vehicle while on its property. Seasonal and yearly permits

would be issued by a Permits Control Office while daily passes would be issued at all harbour entrances. No action has been taken on this proposal.

Manning of Gates During Business Hours:

The report suggests that all gates between McGill and Viau Streets be manned during business hours. These gates would be necessary in conjunction with a second truck control centre in order to route trucks to the marshalling yard entrance. No action has been taken on this proposal.

Truck Control Centre and Marshalling Yard:

Organization of a second truck control centre and marshalling yard to be located in Section 48 for control of trucks between Shed 48 and Elevator 4 is recommended. Mr. Hobbs feels this is an excellent recommendation - it reduces congestion at the sheds and therefore increases security. However, no action has been taken to date on this proposal.

Plan C

Gate Controls During Business Hours between McGill Street and Canadian Vickers:

This plan suggests the installation of guard houses complete with toilet, communication facilities

and necessary equipment at five check points - McGill, Berri, Papineau, Pie IX and Section 48 (Mill Street and Bonaventure entrances would remain open and unmanned in lieu of the security checkpoint presently in existence at the entrance to sheds west of McGill Street in the Bickerdike complex) to cover the entire area. Special National Harbours Board constables would be required to collect and date/time-stamp delivery receipts and vehicle control cards (issued by the truck control centre) from all carriers of cargo leaving the harbour. The police would also carry out spot inspections of the trucks at the exits. Lift barriers are to be installed on these five exit lanes. No action has been taken on this proposal.

Plan D

Manning Gates East of Vickers:

The report suggests installation of control points at Bossuet and Boucherville Streets and at Section 56 - Harbour Road. The recommendations are the same as outlined in Plan C except the control points would not be collecting vehicle control cards.

Instead, a log of all commercial carriers would be kept at each control point.

Admittedly, with the exception of Plan A which will be completed shortly, the balance of the Sabourin report presents some engineering difficulties and is predicated upon the adoption of certain security measures which are recommended in the present paper such as the introduction of a system of passes and the addition of other marshalling yards.

Conclusion

It is urged that the National Harbours Board take the necessary steps to come to a final decision on the application of the recommendations contained in the Sabourin report, in the immediate future.

3. Establishment of marshalling yards

The object of establishing marshalling yards was to attempt to direct truck traffic to the various sheds for the claiming of cargo. In this way, it was hoped that the congestion and confusion due to the number of trucks which showed up at the same time at one particular shed would be avoided. In 1967, the National Harbours Board established a marshalling yard intended to be a pilot project which, if proven advantageous, would be followed by the establishment of others.

Instead of proceeding directly to the sheds to pick up their loads, truckers are required to assemble in the marshalling yard and there await the call of the checker attached to the particular shed in which said goods are, advising that same are ready for delivery.

Apparently, this system has so far worked with results somewhat less than satisfactory in that it has on occasion produced an increase in, rather than an abatement of, the confusion which previously existed.

From what we are told however, we are inclined to believe that the fault is with the implementation or execution of the concept rather than with the principle behind it.

The fact that the plan has not operated satisfactorily appears, at least in part, to be due to the lack of co-operation on the part of the checkers and truck drivers, which may be accounted for by their lack of understanding of what it is designed to achieve. It is our impression that by further trial and the imposition of a greater measure of discipline, the marshalling yard would prove its worth.

Moreover, it would seem reasonable to conclude that if more of such yards, strategically located, were put into operation, much of the difficulty experienced with the operation of one only would be overcome. The organization of an additional marshalling yard is mentioned in the Sabourin report as being a matter for consideration.

An additional factor which apparently defeats in part the establishment of a marshalling yard, is the fact that in most of the sheds cargo is not sorted with the result that a considerable amount of time has

to be devoted by checkers if not by the truckers alone in locating cargo when the demand is excessive (which seems to be the case most of the time in locating cargo). In addition, even when goods have been sorted to some extent, that is according to manifest, it often happens that lots destined to many consignees are retrieved individually by truckers, thereby causing further confusion for other consignees subsequently seeking delivery of their goods.

It would appear from our investigation so far, that the proper operation of a marshalling yard might well depend, in great part, on the establishment of a system of more accurate checking and of sorting.

The matter of sorting will be dealt with later in this paper.

It may well be that, when faced with the obligation to add other marshalling yards, the responsible parties will argue that without the establishment of other measures, such as better checking and proper sorting, this would be useless. On this point, the Commission wishes to bring out that is precisely the type of attitude which has prevailed in the harbour at least until very recently

with the result that initial steps to improve the situation in the harbour have been constantly postponed.

Our information is to the effect that by reason of the considerable loss of time incurred by truckers in waiting for their cargo to be located or for their trucks to be loaded, many trucking companies will not accept orders for cargo in the harbour on the normal per ton charge and will demand payment on an hourly basis, thereby greatly increasing the cost of cartage.

Conclusion

The Commission feels that the establishment of more marshalling yards, and the resultant effect on truck traffic to the sheds in a more orderly fashion, will induce other parties, of necessity, to put more order in their own house and bring about better checking and sorting of cargo.

4. Use of a new form of dock receipts

On November 1st, 1967, in keeping with a recommendation made as early as 1960, a new type of dock receipt was introduced. The main change consisted in serializing dock receipts to prevent the use thereof, as in the past, by anyone able to obtain same whether from stevedoring contractors' offices or from a printer. Theoretically, this was to enable private guards and the harbour police to check truck contents and ensure more efficient checking of merchandise in the sheds.

However there was no adequate procedure provided to check on the issuance of the dock receipts themselves.

Due to the foregoing and the congestion existing in most of the sheds as well as the poor checking being carried out and to the lack of sorting of merchandise, the new form of dock receipt has proved to be of no avail.

Conclusion

The Commission is satisfied that with the introduction of proper checking and sorting, coupled with orderly marshalling of trucks and delivery of goods, dock receipts as originally designed but with proper verification of their issuance would serve their purpose and should therefore be retained.

5. Cargo Loss Bureau

As stated in the beginning of this paper, it is necessary that reliable statistics be available to apportion such losses as may be due to theft or to other causes. However, until such time as there is an accurate check of cargo as it leaves ship's tackle, it is difficult to see how reliable statistics can be made available to such a bureau.

The Deschênes report contained a recommendation for the establishment of a "Cargo Loss Bureau". Although the practicability of doing so effectively has been questioned by some, we are convinced that a Cargo Loss Bureau can, in time, be made to render valuable service.

We are informed by Director Hobbs that since his appointment, he has received very little, if any, report from anyone in connection with losses whether due to theft or otherwise.

This can be explained to a large extent by what was stated in the Deschênes report in respect of payments by insurance companies:

"No one is prepared to acknowledge any responsibility and everyone is trying to make the greatest possible profit. Apparently it is considered to be less costly to insure against losses and have the customer compensated by the insurer for delivery failure than to pay for good policing or watching services which might reduce losses." (See Deschênes report-page 137).

It may be that in the vicious circle in which the exporter and the importer find themselves, when shipowners, shipping agents and stevedoring contractors pass the claims on to one another and eventually to the insurance companies, no one feels the necessity or the usefulness of advising the police authorities of the theft of merchandise. It would appear impossible however to expect that policing could be carried out to prevent theft, if no one is to bother about reporting that type of activity to the police itself.

Mr. J.E. Thurston, former chief of police for the harbour of Toronto, was commissioned early this year to make a study on the feasibility of a "Cargo Information Bureau". He has submitted his very valuable report during the month of June and it has yet to be implemented. For the purpose of his study, he compiled

the answers to the questionnaire he circularized throughout the mercantile community and has come to the conclusion that the industry desires a centrally controlled cargo bureau with branch offices in other ports, with each port area financing its own branch office, but not through the contributions or financial help of the mercantile community. He also notes that the industry desires to govern the said bureau although only 20% is willing to pay the cost of such a proposed bureau. It also shows that there is a small section of the community estimating that the bureau is not required, leading to the conclusion that if it is to operate properly, it will require some kind of legislation.

We understand that the setting-up of such a bureau has been approved in principle by the authorities, and steps are being taken for its implementation.

Conclusion

The Commission recommends that the necessary steps be taken forthwith to complete the formation of the Cargo Loss Bureau and that a regulation be adopted under the National Harbours Board Act making it mandatory to report losses of cargo promptly both to the Harbour Police Department and to the Cargo Loss Bureau.

ADDITIONAL SECURITY MEASURES
RECOMMENDED

1. Licensing and registration of dock personnel;
 2. identification of persons having access to the harbour;
 3. integration of "watching services" to harbour police;
 4. checking, sorting, delivery of cargo and terminal operations;
 5. amendments to the National Harbours Board Act with respect to proof of ownership of cargo in the Harbour of Montreal;
 6. enactment of by-laws by the National Harbours Board to prevent gambling, loan-sharking and drinking on the waterfront.
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1. Licensing and registration
of dock personnel

As stated above, the records show that a large percentage of the longshoremen hired possess records of conviction for indictable offences and the same is true of checkers.

The New York Port Authority in 1953 faced up to a similar problem after it had become apparent that the ranks of those employed in that harbour contained an alarming number of persons with criminal records, some of whom at least were without doubt associated with organized crime operating in the City of New York.

To meet this problem the States of New York and New Jersey acted jointly and created the New York Waterfront Commission which consisted of one representative from each of these states. These Commissioners were however required to speak with one voice, and to them was entrusted the management and control of the register of persons employed in the harbour, inter alia, the duty of controlling the size of the work force so that it corresponded with the requirements. This Commission was charged with

the administration of a system of licensing and registration under which dock personnel are required to be licensed and/or registered.

Provision was made for the screening of applicants for employment and the Commission was vested with power to grant or refuse licences or registration when the investigation which preceded the issue of a licence or registration revealed reasons for so doing. A right to appeal is provided.

The record shows that the introduction of this system of licensing and registration has been effective at least in that it has resulted in a reduction in the incidence of crime in the Port of New York.

The Security Committee of the Truckers Association is at this time engaged in the establishment of a security system to deal with its own problems particularly that of highjacking of trucks and stealing in its warehouses. To this end it has established a registration system for its drivers.

In speaking with the New York Waterfront Commission authorities it was also impressed upon us that while the Commission has been unable to

obtain the power to impose registration of truckers having business on the harbour, because of constitutional and jurisdictional difficulties, it is convinced at this time, based on its experience over the last 10 years, that it is essential that some form of registration exist with respect to truckers having business on the waterfront. In the light of our own investigation and the Deschênes and Cassidy reports, we recommend the early establishment of a system of licensing and registration and that it be made to apply to all dock personnel as well as to truckers and their representatives who enter upon harbour property.

We have discussed with Director Hobbs and others the advantages which such a system of licensing and registration might have and are assured by him, and them, that they are real and that the creation of such a system would be welcomed by him as a means of assisting in the elimination of crime from the harbour.

It appears that a system of licensing and registration of port personnel is not only desirable and to the mutual advantage of management and labour,

but is essential to the efficient control of the supply of dock labour as and when needed.

Jensen - "Hiring of Dock Workers" at page 294:

"Registration is the beginning and sine qua non of all control of dock industry labour markets."

and "International Labour Review" - April 1951 vol. LXIII, No. 4 at page 379:

"It is clear that control over the supply of labour, through the registration of dock workers and over the demand for labour, through the registration of employers is essential to the successful operation of attendance, money and guaranteed wage schemes, and can have a valuable stabilizing effect on dock workers' earnings even by itself."

It has been suggested by various persons that the introduction, or threatened introduction, of such a system would be resisted strenuously by labour. We are not prepared to conclude that such would be the case. There is, on the contrary, some reason to believe that a system which would provide a means of ridding its ranks of undesirables would not be unacceptable to labour.

However that may be, this is an objection which might conceivably be raised in respect of even

the slightest change or improvement in the present system, and one which should not necessarily prevail when it becomes a question of remedying conditions which threaten the vital interests of the port.

It is apparent that much of the difficulty and unrest which exists is in large part attributable to the fact that, all too often, principle has been sacrificed to expediency.

Surely the time has come to take the steps and make the changes which will certainly have to be taken and made if the future of the port of Montreal as a leading world port is to be maintained.

The expense involved in making recommended improvements has also been raised in justification of the fact that they have not been made. The cost of implementing such recommendations should not however be an overriding consideration. It may well be that the cost of carrying them out would be greatly exceeded by the cost involved in not doing so.

The introduction of a system of licensing and registration would, of course, necessitate the creation and establishment of a local bureau or agency charged with responsibility of its operation

(an authority comparable at least in some respects with the New York Waterfront Commission). To it would be entrusted the maintenance and control of the register.

Not only has the port of New York such an agency but local dock commissions or committees have, for many years, been an essential part of the administrative systems of nearly all of the great ports of the world.

In contrast to that existing in those ports there is in the system now existing in Montreal a complete lack of such a local authority which might establish and operate a system of licensing and registration. In fact, there is no authority whatever whose function or responsibility it is to see that dock labour, as and when required, is available and that all reasonable efforts are made to maintain a harmonious relationship between management and labour.

Various persons, having knowledge and practical experience, with whom we have discussed this matter, have assured us that the lack of such a local authority in the administrative system of the Port of Montreal constitutes a great weakness and a

situation which urgently calls for remedy. With this view we are in complete accord.

RECOMMENDATION

The matter of establishing such a local port authority relates to the problem of crime on the waterfront inasmuch as such an agency, without necessarily excluding those with criminal records from employment on the docks, at least could exercise a measure of discipline in respect of those who are involved in the commission of criminal offences while on the docks, and is therefore a matter for consideration at this time. However, it also is related, in a broader context, to paragraph two of the Terms of Reference and the nature, composition and functions of such a local authority are matters which will be dealt with in detail in Part.II of this report.

2. Identification of persons having access to the harbour

As stated earlier, it would be unfair to assert that all or even a majority of longshoremen and checkers are responsible for theft and pilferage on the harbour: there is no doubt that the fact that anyone, whether having business or not in the harbour, has free access to the harbour property and inside the sheds, accounts to a great extent for the theft and pilferage by persons other than those directly involved in the handling of cargo.

The fencing of the harbour property and the eventual fencing of some of the sheds with the posting of a guard at exits would remedy the situation to a very large extent.

On the other hand, in the same manner as the obligation to report a theft to police is necessary to ensure proper policing, it would seem evident that a proper check of persons circulating and having business in the harbour cannot be accomplished effectively without the authorities being able to identify readily the individuals involved.

The Commission has discussed, with the various parties having knowledge of the situation, the possibility of establishing a system of passes and badges which would be required of all persons having access on the harbour. The general consensus seems favourable to this. I.L.A. local 1552 (Shipliners) in its brief recommends the adoption of a system of passes and identification badges and that those in charge of verifying passes be police officers and not private guards.

The harbour police, the shed guards, walking bosses, foremen, checkers, union stewards, as well as the labour force in general, should be able to ascertain whether a person who is in the process of handling cargo or of examining same is properly authorized to do so.

Our study of such literature as was available in relation to other ports in America, and our discussions on site with authorities in the Port of New York in particular, have convinced the Commission that the introduction of a system of passes and badges readily identifying personnel having access to the harbour is a prerequisite to proper supervision and policing of the harbour.

The majority of large companies have been using a system of passes for years; there is no reason why this should not be the case in the harbour of Montreal.

The Commission is informed that some three or four years ago an attempt was made by the Shipping Federation to introduce a system whereby checkers would be required to wear armbands so that they could be readily identified and that persons having no business in the handling of cargo could be more easily spotted. It would appear that this was resisted to some extent by the union and was eventually abandoned, allegedly for fear of a wildcat. Our discussions with union executives have convinced us, however, that provided the system is introduced without discrimination (that is, to apply to everyone having business in the harbour) the unions would cooperate fully.

As already pointed out, there is no doubt that, in most cases, it would be impossible for those working on the waterfront to carry out any kind of large-scale theft without the cooperation of truckers who circulate on the harbour at all times. The Trucking

Parity Committee for the Montreal Region has established a registration system for its drivers. It carries with it the issuance of passes with a coloured picture of the individual so registered, so that it cannot be tampered with, and we are informed that candidates having been convicted for theft or other offences are screened and at times refused the issuance of a card.

RECOMMENDATION

This Commission recommends that the National Harbours Board proceed forthwith with the introduction of a system providing for the issuance of passes and identification badges for all persons having access on the harbour, and that it impose on truckers seeking access to the harbour the obligation to carry the pass issued by the Trucking Parity Committee for the Montreal Region, and the use of a distinguishable identifying badge while operating in the harbour.

3. Integration of "watching services"
to harbour police

As stated earlier, the Montreal Port Manager recommended as early as 1960 the integration of private guards with the National Harbours Board police; the Cassidy report as well as the Deschênes report also recommended the taking over of cargo watching by the harbour police, in some form or another.

Our investigation has convinced us that the services rendered by these agencies, which act independently of one another and of the harbour police, are incapable of providing a satisfactory degree of security.

The men engaged as "watchmen" are untrained, underpaid and incapable of rendering efficient or acceptable service. The conclusion is inescapable that in great measure the prevalence of crime on the waterfront, and in particular pilferage and theft, is due to lack of adequate and effective policing, and the Commission can see no possibility of any important improvement in the situation so long as the policing and guarding of merchandise in the sheds

is left, as it is now, in the hands of these or other similar private agencies.

The conviction that the eradication of crime on the waterfront is essentially a problem, the solution of which lies in a large measure in the proper and adequate policing of the harbour, has been strengthened by the fact that since the reorganization of the police force under Director Hobbs, there has been an appreciable improvement in conditions on the waterfront; and it is reasonable to conclude that, were the police force further strengthened and its jurisdiction suitably extended, a much greater improvement could be expected.

As things now are, the activities of the National Harbours Board Police are largely limited to the policing and protection of the Board's own property and do not extend to the safeguarding of goods in the sheds, which is left to the particular private security agency concerned. None of these agencies come under the control or direction of the National Harbours Board Police or other authority and each operates independently.

While it is true that the National Harbours Board has set up some standards for the hiring of private guards on the waterfront, the results as stated above are nil.

This Commission therefore fully endorses the recommendations already put forward that the practice of entrusting "watching" services to private investigation agencies be discontinued and that all of the policing functions relating to the harbour of Montreal, including the safeguarding of merchandise in the sheds, be placed under the direction and control of the National Harbours Board Police Department. To accomplish this, the present National Harbours Board Police force should be sufficiently augmented by the addition of trained and competent policemen and to it should be added a corps of reliable, able-bodied men trained to serve as guards under the control and direction of the National Harbours Board Police Department.

The National Harbours Board Act enables the Board to adopt regulations in respect of loading and unloading of cargo on Board's property, and it would seem in any event that a condition in the leasing

of the sheds could properly be introduced, enabling the Board to carry out the contemplated scheme.

The point has been made that, in taking over directly or indirectly the watching of cargo in the sheds, the National Harbours Board would be assuming the legal responsibility of its safekeeping.

Neither the stevedoring contractors nor the shipping agents, when hiring private guards, assume responsibility for the safety of cargo, but on the contrary specifically exclude same, and there is no reason why the National Harbours Board could not also write in such exclusion of liability, if need be.

It is of interest to note that during the course of our discussion with the New York Waterfront authorities, it was impressed upon us that a fully integrated harbour police would very largely reduce theft and pilferage as well as crime in general.

The private security guarding agencies in New York appear to be not much better than those of the Montreal harbour (underpaid and inefficient personnel being a minimum insurance company requirement), with the difference, however, that the private guards

in New York are submitted to registration through the Waterfront Commission and must undergo a minimum of training.

The only reason why the New York Waterfront Commission does not have the power to take over the guarding of cargo by integrating watching services with its own force, is because of the great difficulty in having such power inserted in its mandate, at the outset, due to the complex jurisdictional areas involved; i.e. Brooklyn, New York, as well as that of other cities bordering the 700-mile waterfront in the New York area, and the involvement of two State Legislatures.

The Commission's accountants have attempted to determine what the actual cost of private guarding is and what the estimated cost would be in the light of the feasibility report referred to later. It would appear that the present cost of guarding cargo varies between 35¢ and 60¢ a ton.

On the 16th day of October 1968, at the conclusion of an interview with Messrs. Beaudet, Hobbs and others, in the course of which the reorganization of the National Harbours Board Police force, and the

possibility of integrating "watching services" with it, were discussed, Director Hobbs was requested to submit a feasibility study relative to the recommendations contained in Mr. Donald Cassidy's report and concluding to the establishment of a two-tier National Harbours Board police that is, with one section policing the harbour and the other carrying out guarding duties.

A feasibility report was prepared by Staff Inspector Sabourin and submitted to the Board. This report, which is dated November 8, 1968, outlines the proposed organization and gives an estimate of its cost, but indicates that it is merely an initial estimate and is subject to revision. This report, of which this Commission was supplied a copy, is appended hereto as Annex C.

The Commission's accountants carried out a thorough analysis of the feasibility report and discussed same with the responsible parties.

The study contemplates an organizational stage commencing July 1st to December 31st to provide for planning and recruitment at an estimated cost of \$38,215. The manpower is divided into a salaried permanent force of 116 men, a semi-permanent shipping

season force of an additional 220 and a further peak season reserve force of 40 men. The latter two forces are scheduled on a 40 hour week at a labour rate of \$2.90 per hour. The total cost of the first year's operation is estimated as follows:

Labour

Salaried permanent force	\$ 848,288	
Shipping season and reserve wage force	<u>1,350,238</u>	\$2,198,526

Other

Operating expenses	64,553	
Equipment	<u>166,812</u>	
		<u>231,365</u>
		<u>\$2,429,891</u>

The cost of subsequent seasons is reduced to \$2,320,179 through elimination of initial equipment costs.

The manpower requirements used in the study are based on an assessment of 640,000 man-hours for the services presently being performed by private watching companies (see paras 4 and 5 and Appendix A of Annex C). This assessment appears to be too low and consequently the costs understated. We have estimated the present watching costs at 45¢ per ton for

general cargo. On the basis of 4,000,000 tons the total annual cost of private watching would be \$1,800,000 or \$1,700,000 excluding the Canadian Pacific Steamships Ltd. Using the hourly rate of \$1.90 presently charged by private watching companies, the total man-hour requirements would be 895,000 which is 255,000 man-hours or 40% greater than the 640,000 man-hours used as a basis in the report. This would indicate that the costs for the shipping season and reserve force of \$1,350,238 as estimated in the report should be increased by 40% or approximately \$540,000.

The present labour rate being paid by private watching companies is \$1.30 whereas the rate of pay of \$2.90 as used in the report is based on present rates paid by the National Harbours Board (see para. 6 of Annex C). For comparative purposes the following annual salaries and labour rates are paid for watching service employees by Reliance Marine Terminals:

Chief	\$9,600
Assistant	6,300
Sergeants	5,800
Guards	5,400
Casual labour	\$1.75 per hour

The study estimates do not envisage nor provide for overtime pay, other than on statutory holidays, as it is contemplated that any such costs can be compensated through the "averaging plan" as explained on page 6 of the Annex. For this reason also the statement on this page that savings of \$75,000 to \$100,000 could be realized must be disregarded.

There is no provision in the report for billing or payroll costs which we estimate would be approximately \$100,000. Mr. Hobbs also stated that his present facilities would be inadequate if the plan was adopted and estimated new accommodations to meet his requirements would cost approximately \$850,000. He considered a location further east along the waterfront would be more suitable than his present location.

Other than an error of \$10,000 on page 10, we found the arithmetical calculations in order.

On the basis of the foregoing the Commission's accountants have adjusted the estimated cost (excluding costs of accommodation) of the feasibility report as follows:

Original estimate	\$2,429,891
Additional security costs	540,000
Billing and payroll staff	<u>100,000</u>
	<u>\$3,069,891</u>

Assuming a general cargo tonnage of 4,000,000 tons, the average cost per ton on implementation of the report would be approximately 76½¢ per ton compared to an indicated average at the present time by private watching services of 45¢ per ton.

However, as stated earlier, the 45¢ a ton which is now being spent on guarding cargo is, according to all concerned, spent with little and in some cases with no benefit. It seems obvious that the result of efficient guarding of cargo would not only eliminate a waste of more than \$1,500,000 a year being spent at this time on guarding, but would also more than make up the difference, through a reduction in the losses sustained yearly as a result of theft and pilferage.

The report left the method of recovery of watching services to be worked out in the event that the Board assumed responsibility. This was discussed extensively with Mr. Beaudet who gave the following alternatives:

- (a) Increased wharfage charges
- (b) Increased shed rentals
- (c) Per ton of cargo basis
- (d) Hourly charge for men employed

It was his opinion that hourly charge was the most equitable basis. However, Mr. Anderson, Assistant Port Manager, preferred a per-ton recovery charged to the shed lessee.

In our opinion the per-ton basis of recovery would require a complicated schedule of fees for various types of cargo as well as a rate for both import and export. For this reason we recommend a continuation of the present basis of charging on an hourly rate ascribable to the shed lessee pending further studies. Making the director of police responsible for determining the number of men to be allocated to a particular area could give rise to complaints on the grounds of either under-staffing or over-staffing. For this reason it may be desirable that some minimum should be established.

RECOMMENDATION

The Commission recommends that the integration of watching services to the harbour police on the basis of Mr. Cassidy's recommendations be carried out forthwith.

4. Checking, sorting and delivery of cargo and terminal operations

a) Permanent checkers and bonding

A checker's work consists, among other things, in preparing a document called O.S. & D. report:- Over-landed, Short-landed and Damaged cargo.

Since there is no hatch check providing an immediate verification of the cargo unloaded on the apron, the preparation of the O.S. & D. report is based almost entirely on ascertaining, after delivery to consignee, whether goods are missing or not. This obviously leaves an extremely large area in which cargo is exposed to loss and theft. In addition it is difficult, in many instances, to tell whether cargo appearing on a manifest was loaded or not at port of export or might have disappeared in other ports, this being attributable at times to the ship's own crew.

The O.S. & D. report is therefore of a doubtful value but is nevertheless required, if only for records.

In the case of import cargo, the Commission has learned that cargo entering the sheds through railway cars is at times simply left inside the shed without a proper receipt having been obtained from the checkers who are there for that purpose.

The checkers do not handle cargo, but must direct where cargo is to be located in the shed.

In addition, checkers are expected to indicate to consignees where their cargo is located in the shed, and this usually brings about confusion and in many instances ends up leaving consignees to their own devices in attempting to locate and obtain delivery of their cargo.

Not only have we learned from many sources of collusion between longshoremen and checkers, but we have equally convincing information as to the cooperation between checkers and truckers which makes possible theft and pilferage.

It is obvious that checkers occupy key positions which should call for integrity and competence on their part, and this is particularly

true in the case of head checkers. In fact, however, inquiry reveals a lamentable lack of both.

Not only is their record in regard to checking deplorable, but it is a matter of common knowledge that a great number of them are involved in pilferage and are known to accept money from truckers in return for preferential treatment. Moreover, it is no secret that certain head checkers engage in loan sharking on a more or less continuous basis.

Reference has already been made to the recent introduction of a modified form of numbered dock receipt designed to eliminate abuses which had existed previously.

However, our information, gathered from checkers, truckers and others, is that these dock receipts are in many cases valueless because they falsely indicate that the cargo described in them has been checked, whereas in fact it has not. It is not unusual for a checker to sign a dock receipt, which in some instances has been filled out by the truckers, without his having made any attempt to check the goods.

Checkers have told us that this practice is the result of the failure of stevedoring contractors to hire an adequate number of checkers, notwithstanding the fact that plenty are available and desirous of working, as well as the difficulty often amounting to impossibility in checking cargo which has not been sorted and piled properly.

Our information is that checkers have on occasion been actually pressured to sign dock receipts relating to unchecked cargo, on threat of discharge or suspension.

On the other hand, we have been told by representatives of management that it frequently happens that there are not enough checkers available. It is pointed out that the number of checkers required from time to time varies. Sometimes few are needed, and at other times they are required in numbers exceeding those available. One would suppose, however, that this is a difficulty which could be overcome readily by proper organization and planning, especially in view of the June agreement, between management and locals 1657, 1552 and 375 which has previously been referred to.

The majority of operators, particularly terminal operators, agree that because of the key position of checkers in the operations and the necessity of ensuring a minimum standard of efficiency in the sheds, it is highly desirable that there be a minimum number of permanent checkers in the sheds.

The checkers' responsibility in the safe-keeping of goods is extremely important and we agree with the Deschênes recommendation that they should be bonded.

RECOMMENDATION

The Commission recommends that the National Harbours Board enact regulations providing for the employment of a minimum number of permanent checkers in each shed or group of sheds operated by the same organization and providing that checkers be bonded.

b) Hatch check

As previously stated, one of the factors which has served to complicate the problem of cargo losses, particularly those attributed to the port of Montreal, was the lack of reliable statistics showing what proportion of those losses represent theft or pilferage actually perpetrated in Montreal Harbour.

The O.S. & D. certificates compiled on the basis of the ship's manifest and the bills of lading admittedly fall short of establishing what cargo has actually been discharged in the port and consequently lost.

There were, for example, undoubtedly cases where goods reported as landed in Montreal in accordance with the relevant bills of lading had in fact been discharged from the vessel before it reached Montreal and in other instances had been over shipped to another destination.

It appeared in the early stages of our inquiry that a proper check at the ship's hatch before the goods were landed would provide a reasonably accurate record of the cargo actually discharged at Montreal and make possible a much more accurate estimate of the cargo losses properly attributable to this port.

This point of view, however, was not shared by several shipping executives with whom we discussed the matter. We were told in emphatic terms that the idea of a hatch check in the Port of Montreal was impracticable and its implementation an impossibility. Since then, however, we have discussed the matter with a number of widely experienced and knowledgeable persons and have ascertained not only that the hatch check is practicable but that it is practised in many of the world's great ports, for import cargo.

As far as Montreal is concerned, the Commission has ascertained that hatch check is practised by at least one large organization involving Russian Ships.

The explanation for these apparently diametrically opposed opinions is not hard to find. No doubt the hatch check would be impracticable in the Port of Montreal under present circumstances where ocean carriers are not compelled to, and do not stow and discharge cargo in a proper and orderly manner. Obviously it is not possible to carry out the hatch check if all shipments or consignments

have been stowed indiscriminately and in such a manner that parts of one consignment are mixed with parts of others as this is the case in the Port of Montreal.

The information we have obtained satisfies us, however, that there is no reason why such conditions should exist that do not and would not be tolerated, for example in the ports of London or Amsterdam, where the delivery of the cargo from the vessel is not accepted unless it has been stowed or marked in such a manner that it is possible to identify and check it as it leaves the hatch.

In those ports and others the practice of the Port Authority is to refuse to accept cargo which cannot be discharged in an orderly manner. Such cargo undischarged is simply segregated and is not permitted entry to the sheds unless it has been properly sorted and checked at the expense and for the account of the carrier.

This Commission is convinced that the Port Authority in the St. Lawrence River ports have only to adopt and enforce similar requirements in order to bring about conditions under which the hatch check is entirely practicable.

If the hatch check were to be made mandatory in these ports as it is in certain other ports, the problems now encountered in respect of the sorting and checking of cargo would in great measure disappear.

We are advised that an efficient hatch check could best be assured under a system involving two checkers, one in the ship's hold checking the composition of the pallets and the other at the hatch checking the goods as they leave the vessel. Under such a system, cargo would be both sorted and checked before leaving ship's tackle and would enter the sheds and be stacked in orderly fashion. The function of checkers within the sheds would be reduced to noting the location of the various shipments and checking them out to truckers or other representatives of the consignees who would not be allowed to enter the sheds.

The efficient practice of the hatch check would, we are convinced, revolutionize the handling of cargo in the Port of Montreal since it would not only avoid much of the present cost of sorting and checking (which at best is unsatisfactory) but would end the confusion which now exists in the sheds where goods are piled indiscriminately.

In fact were the hatch checks made mandatory, much of what was written above concerning the problems of sorting and checking and the prevention of theft and pilferage would cease to be applicable.

In the majority of the European ports, the shipowners responsibility ceases with delivery on apron or at shipside. It explains in part why in those ports such emphasis is put on hatch check, proper sorting and checking.

In the american ports, the Harter Act provides that the shipowner remains responsible for delivery of goods until it reaches the consignee, that is at tailgate. In the port of New York in particular, up to approximately 15 years ago the shipowners, because of their responsibility to

consignees, required and paid for the cost of a hatch check. Because, however, of the extremely poor record of the port in the field of theft and pilferage and the added cost of inefficient labour, the hatch check was eventually phased out to such an extent that today it is only in exceptional cases, where there is valuable cargo, that shipowners require that it be carried out. The shipowner apparently prefers relying on his insurance coverage even if it means very large premiums rather than resort to an improper, inefficient and costly hatch check. The end result is that theft, pilferage and organized crime although partly held in check by the New York Waterfront Commission continue to exist and the cost of cargo handling continues to increase.

The legal liability of the shipowner in the port of Montreal is difficult to ascertain because of the ambiguous disposition of the Canada Shipping Act and other relevant statutes in this respect and also because of certain dispositions of the Civil Code of the Province of Quebec. It has been suggested

to the Commission that if the law was made clear that the shipowner remains responsible for delivery of goods to the consignee, as is the case in the U.S. ports, the shipowner would then, of its own accord, wish to remedy many of the shortcomings in the delivery of cargo including proper stowage plan and the carrying out of the hatch check.

The Commission is not satisfied in view of the result of similar dispositions in the port of New York for instance that this would in any way solve the present problem. In fact at the outset of its formation the New York Waterfront Commission prepared a feasibility report and recommended the re-establishment of a complete hatch check in the port of New York and has ever since repeatedly insisted on its necessity

RECOMMENDATION

The Commission recommends that the National Harbours Board enact regulations providing for hatch check of import cargo throughout the harbour.

c) Sorting

Undoubtedly, the extremely poor quality of the checking which is apparently carried out in the sheds in general is not only due to the factors already mentioned, but also to the fact that in the majority of cases, cargo is not sorted, but simply deposited in the shed.

Sorting is expected to be carried out to some degree, as it obviously would become impossible to perform any kind of checking if no sorting at all was made. Sorting, however, is not generally deemed to be a specific, separate item in the charges made for the handling of cargo.

In this connection, it is noteworthy that there is a very considerable difference between conditions prevailing in certain sheds where compared with those existing in others. Even allowing for the difference in the nature of the cargoes handled and their packaging, we find nothing to excuse the chaotic and deplorable conditions which exist in some sheds.

It is extremely difficult, even with a thorough examination of the books of the stevedoring companies and shipping agents, to determine the actual cost of checking.

According to the research carried out by the Commission's accountants the cost of checking at present, varies between \$1.00 and \$1.50 per ton which figures in some instances will include cooperating and clerking.

It would appear, therefore, judging from the poor quality of checking being performed in the present circumstances, that here again as in the case of watching services a large portion of the moneys being spent on checking is of little value.

This appears to be the case also in the port of New York where we are told that in many cases checkers working at tailgate delivery for instance are totally unconcerned with the loading of trucks taking delivery. In fact, the New York Waterfront Commission has ascertained that the area of theft and pilferage and organized crime is precisely at tailgate delivery.

Operators of terminals in New York when queried about the possibility of training checkers agreed readily that if they were ever able to put into force a realistic training program for checkers and end up with reliable and competent checkers throughout their sheds, the result would not only be that theft and pilferage and organized crime would be very greatly reduced but even the efficiency of the operation would be very much improved.

In some cases, sorting of cargo can be carried out with relative ease, but when one is dealing with oriental cargo, for instance, which comprises thousands of small items, or with lines where the stowage plan is inaccurate or non existent, the problem presents serious difficulties.

According to the information which we have obtained from the stevedoring companies in particular, it is considered that the average additional cost which would be involved in sorting general cargo in the Port of Montreal, based on 2968 wages, would be from \$1.50 to \$1.75 per ton.

In Toronto, where sorting is done by the Toronto Harbour Commissioners, the additional costs involved from 1963 to 1966 were as follows:-

1963	-	\$0.53
1964	-	\$0.74
1965	-	\$1.00
1966	-	\$1.11

The additional costs involved in sorting general cargo in Toronto in 1967 and 1968 are not presently available, but it is believed the 1968 cost was \$1.75 per ton. It should be pointed out, though, that the Toronto Harbour Commissioners commencing in 1967 included steel in the tonnage in calculating the cost of sorting. The result would therefore be unrealistic, since in most cases hardly any sorting is necessary for steel, which in turn has a high tonnage factor.

The variables mentioned above include the nature of the cargo, the design of the shed and the degree of congestion. It is represented to the Commission that the cost of sorting general cargo

from South America could be as much as \$1.00 per ton cheaper than the cost of sorting general cargo from Japan.

On the other hand, almost everyone readily agrees that any system of operating a shed involving the principles of terminal operation and of tailgate operation will require of necessity that some form of sorting be carried out.

The Commission is informed that in many harbours in the United States as well as in Toronto, where operations of a shed are based on the principle of terminal operation, an additional charge is made to the consignee seeking delivery of his goods, specifically for checking and sorting. In this way, an increase in the freight rates themselves is avoided.

Obviously the consignee who must pay these additional charges demands proper service from the terminal operator or from whichever organization he is seeking delivery of his goods, and checking and sorting consequently have to be improved, if only to meet competition from other operators.

At least one company in Montreal has started sorting its cargo in the sheds and has passed on the cost to its principals who have accepted it, with the result that carriers are now able to secure their goods without undue loss of time.

RECOMMENDATION

The Commission recommends that the National Harbours Board enact regulations providing for the sorting of goods throughout the harbour.

d) Tailgate delivery

One of the main complaints of truckers at this time is the difficulty that they experience in attempting to obtain delivery of their cargo, and the fact that the present marshalling yard is not operating properly.

The barring of truckers from entering the sheds has led in some cases to the establishment of what is known as tailgate delivery. Tailgate delivery involves the truckers bringing his truck to the shed entrance or next to a loading platform and receiving delivery of cargo from the stevedoring contractor or the lessee of the shed. If cargo is badly sorted, checking is delayed and delivery is delayed, so that if operators are to provide tailgate delivery, they will have to improve their sorting and checking of cargo.

This Commission feels that the introduction of marshalling yards and the fencing of sheds should go hand in hand with the establishment of tailgate delivery for every shed where physically possible.

In 1958, a special committee made up of representatives from the National Harbours Board, the Shipping Federation of Canada Inc., the Interprovincial Association of Stevedoring Contractors, and the Quebec Trucking Association visited a number of ports in the United States in order to study the manner in which delivery of goods was effected in those ports. The report pointed out that in many ports in the United States, as in New York in particular, some form of tailgate delivery existed especially where operations were run on a full terminal operation basis.

Comments are made in the report on the possible use of alternatives and on the cost factor involved, but no definite suggestions are made. It does not appear that anything further was done in this regard by this special committee.

According to the information obtained from National Harbours Board personnel in Montreal, it seems that out of 52 transit sheds, 14 were built

fifty years ago, have two storeys, are difficult of access by trucks and have railroad tracks running on both sides. The sheds are located on piers Alexandra, King Edward and Jacques-Cartier; their design and the difficulty in approaching them makes them more difficult to use for tailgate delivery.

The remaining sheds could, we understand, be operated on a tailgate delivery basis although some minor modifications might well be required to render the operations more efficient.

The Commission is satisfied that a large majority of the present installations can be adapted to tailgate operations without unduly large expenses, until the handling of cargo is converted to terminal operations.

RECOMMENDATION

The Commission recommends therefore that the National Harbours Board adopt proper regulations ensuring tailgate delivery to consignees.

e) Terminal operations

There are at this time in the port of Montreal three organizations which carry out some form of terminal operations, none of which, however, seems to adopt the same criteria. With respect to other sheds or piers there are instances where sorting is carried out and a form of tailgate delivery is attempted. But, here again, the manner in which these operations are carried out or whether they are carried out at all depends on the arrangements which might be made between shipowners and agents or stevedoring contractors.

For some time now the National Harbours Board has been talking about the introduction of terminal operations in the harbour of Montreal: it has apparently been attempting to obtain the consensus of all parties concerned as to what terminal operations would include. As has already been said even those personally engaged in what is called now terminal operations in the harbour of Montreal do not perform in the same way. And indeed, it would appear that it is almost impossible to arrive

at a consensus by the majority of those interested in the harbour of Montreal as to what terminal operations should in fact be.

The introduction of the recommendations presently made, to wit:

The employment of permanent checkers
and the bonding of checkers;

Hatch check of merchandise;

Sorting of cargo, and

Tailgate delivery

would ensure a minimum standard of operation throughout the harbour.

They would at the same time set the basis for the operation of terminals on a property competitive basis between the operators.

One of the major factors is the responsibility of a terminal operator to third parties in the same manner as warehousemen. Even then, there are two statutes concerning responsibility of warehousemen, a provincial and a federal one.

The introduction of a hatch check, however, will mean that the shipowner in assuming this extra cost will demand that his responsibility cease at shipside, so that some organization will have to be in a position to give the shipowner a release for the receipt of goods as to their content and condition.

Further in order to insure an efficient carrying out and coordinating of these operations it appears necessary to the Commission that responsibility for these be given to one specific organization. It appears likewise imperative that the same organization carry responsibility for labour as well as for the safekeeping of cargo, in order to avoid shifting of responsibility as has been the case heretofore in the event of labour problems or loss problems.

The Commission is well aware of the fact that the converting of the handling of cargo into terminal operations might cause labour problems

due to the number of locals and the different unions presently working within the sheds. These problems will be solved in part when the same organization becomes responsible for all phases of the work and with the present system of permitting some locals to interchange labour.

In addition, it would seem that if the small locals presently working within the sheds were to be intergrated with the other large locals then much of the rivalry and inter-local dispute which are now prevailing would disappear.

RECOMMENDATION

The Commission recommends that dispositions be taken forthwith to convert the cargo handling operations in Montreal to terminal operations with the operator of the terminal assuming responsibility for the handling and safekeeping of goods until delivery to the consignee.

In addition, the Commission recommends that the National Harbours Board take the necessary steps to insure through a daily inspection if necessary that its regulations with respect to hatch check, employment of a minimum number of checkers, bonding of checkers, sorting and tailgate delivery are strictly adhered to in all of its sheds.

5. Amendments to the National Harbours Board Act with respect to proof of ownership of cargo in the harbour of Montreal

We have been told that the harbour police frequently experiences difficulty in effecting arrests in cases where, although they spot a person walking off with what they strongly suspect are stolen goods, they lack actual proof of theft. Then there is frequently difficulty in making the proof of ownership necessary to obtain a conviction.

Both of these difficulties have been experienced in the United Kingdom and very largely overcome as the result of appropriate legislation.

Special powers of search relating to persons who may be carrying, or to vehicles on which may be conveyed, goods suspected of having been stolen from the premises of the British Transport Docks Board, are provided by Section 54 of the British Transport Commission Act, 1949, as amended by Section 49 of the British Transport Docks Act, 1964, as follows:

- (1) "Any person in the employment, or employed on the property, of the Boards who is found upon or in the immediate vicinity of any railway harbour dock inland

waterway station or other premises now or hereafter belonging or leased to or worked by the Boards and used for the conveyance handling or storage of goods or upon any vessel in any such harbour dock or inland waterway and who may be reasonably suspected of having in his possession or conveying in any manner anything stolen or unlawfully obtained on or from any such premises or any such vessel may be stopped searched and taken into custody without a warrant by any constable to be dealt with according to law and any constable may stop search and detain any vessel cart or carriage in any such premises as aforesaid in or upon which there shall be reason to suspect that anything stolen or unlawfully obtained may be found.

- (2) Every such person who shall be brought before any court of summary jurisdiction charged with having in his possession or conveying in any manner anything which may be reasonably suspected of being stolen or unlawfully obtained and who shall not give an account to the satisfaction of such court how he came by the same shall be guilty of an offence against this section and liable on summary conviction to a penalty not exceeding five pounds or in the discretion of the court to imprisonment for a term not exceeding two months."

It is necessary to ask Parliament to renew these powers every five years.

The special powers were obtained to enable the police to deal with the problem of the thief who extracts articles from a consignment, conceals them on his person, in a bag or other receptacle or on a

vehicle and tries to remove them from the premises. When goods are in transit, it is not always possible to identify a small quantity extracted from a large and otherwise intact consignment, so that a charge of larceny may not be possible. Section 54 creates the offence of "Unlawful possession" and places the onus of giving a satisfactory explanation upon the person found in possession of the goods.

In every case dealt with under the section, an officer must be in a position to show that he had reasonable suspicion for his belief that the accused was in possession of stolen property or property unlawfully obtained. The powers are exercisable by a constable of any police force but the terms of the section as to employment, place, property, etc., must be strictly complied with and, in practice, it is customary for the enforcement of the Statute to be left to members of the British Transport Police who have a specialized knowledge of the cargoes handled.

Proving the ownership of stolen cargo for the purposes of Court Action is facilitated through the following procedure:

Export Traffic

(a) Stolen from shed

Proof is given of receipt by the shipping agents on behalf of the shipping company, as bailee. Documents can be produced by the agents if necessary. If goods are in the custody of the British Transport Docks Board, they are shown as owners (bailee).

(b) Stolen from ship

This is usually shown as the property of the shipping company as bailee (but in some cases the shipping agents act on behalf of the shipping company) together with the production of documents in both cases, if necessary.

Import Traffic

(a) Stolen from ship

Evidence is obtained from the Master or Chief Officer with the production of the ship's manifest and the property is shown as that of the shipping company as bailee.

(b) Stolen from shed

This is shown as the property of the shipping agents as bailee or of the British Transport Docks Board as bailee, if in their custody.

In cases where it is not possible to establish ownership of cargo found in the possession of suspects, use is made of Section 54 of the British Transport

Commission Act, 1949, previously mentioned. Alternatively, a suspect is charged with stealing, or receiving, the property of some person 'unknown'.

The Magistrates, in whose jurisdiction the Docks are situated, are very conscious of the need to protect the Docks and, in so doing, to protect international commerce. Difficulties arising from legal technicalities are seldom encountered by the officers responsible for law enforcement at the Docks.

RECOMMENDATION

It is recommended that the National Harbours Board Act be amended to include a provision similar to Section 54 of the British Transport Commission Act above quoted, as well as one permitting proof of ownership in accordance with the practice prevailing in the United Kingdom.

6. Enactment of by-laws by the National Harbours Board to prevent gambling, loan-sharking and drinking on the waterfront

We have been told repeatedly that to the prevalence of gambling on harbour property can be attributed in large measure the incidence of theft, pilferage and loan-sharking.

Since the middle of May until October 1968, the harbour police have kept a record of all instances where they have intervened to break up games of chance in progress on harbour property.

These records disclose that the police intervened to break up 417 dice or card games and take possession of moneys as well as dice and cards which were later, upon application of the person or persons from whom they have been taken, returned to such persons.

Our information shows that these games, in which the participants sometimes number well over 100 persons, are played for the most part between 12:00 and 13:00 hours and between 18:30 and 19:00 hours as well as during "spell'os" or "breaks".

The police have received many complaints from the wives of longshoremen who, on being paid

their wages have immediately gambled them away thereby leaving their families destitute.

While it appears that most of those involved in gambling on harbour property are longshoremen, the record also shows that there are others who participate but are not port employees, in particular truckers.

On occasion, policemen intervening to break up games have been threatened with bodily harm and sometimes "roughed up".

As stated earlier in this paper the incidence of "drinking" is looked upon as a way of life in the harbour and there is no doubt that it goes hand in hand with gambling.

Director Hobbs complains that since the form of gambling being carried out is not per se illegal within the meaning of the Criminal Code, it has been impossible for his men to do more, when gambling is discovered, than to break up the game and to take temporary possession of the dice and money. He insists that his arm would be strengthened considerably if there was a by-law or regulation forbidding gambling on harbour property. Here again

we are convinced that the problem of gambling and loan-sharking and use of intoxicating liquor on harbour property could be controlled to a greater extent than is now possible were appropriate regulations prohibiting such activities enacted and the powers and strength of the harbour police adequately extended to enforce such regulations.

Although the Commission was not able to fully control its incidence, we are satisfied that there is rampant on the waterfront a consistent practice of loan-sharking. In some cases, loans are even forced upon some of the personnel as a means of paying off a favour from a foreman or a head-checker.

In this connection the Commission refers to the Waterfront Commission of New York Harbor Tenth Annual Report 1963-1964, which shows the extreme difficulty in tracking and preventing such activities:

"Loansharking is a practice in which the victims are usually terrified and will not come forward to complain and identify the perpetrators. Indeed, those complaints received by the Commission are usually in the form of anonymous

letters from the wives of longshoremen who are enduring terrible economic hardships and are unable to clothe and feed their families because of their husbands' entanglements with loansharks.

The loanshark practice is carried on clandestinely and it is only through intensive effort that a loanshark is apprehended with evidence sufficient for criminal prosecution. Even when the borrowers are identified and asked for their testimony they remain mute. They would rather incur whatever legal penalties may be imposed for their silence than reveal the criminals. In this connection, the Commission recently recommended, in hearings held by the New York State Commission of Investigation, that there should be a specific prohibition against this type of activity in the Penal Laws. At present, law enforcement agencies have to resort to banking laws, dealing with the licensing of small loan businesses, in order to prosecute the criminals in this widespread racket. The Commission further recommended that loansharking should be classified a felony, and that mere possession of loanshark records be made a crime. This would be an effective tool since a loanshark must keep records to operate his racket."

RECOMMENDATION

The Commission recommends the immediate enactment by National Harbours Board of appropriate by-laws prohibiting gambling, loan-sharking and the consumption of alcoholic liquor on the harbour.

PART II

MAIN CAUSES OF LABOUR UNREST

Pilferage, theft, gambling and the other illegal practices or abuses to which reference has been made in Part I of this report, are all intimately related to labour unrest and stress in the management-labour relationship: no suggested solutions which fail to take account of this fact are likely to be productive of any satisfactory results.

Our Terms of Reference purport to restrict the scope of the inquiry to "conditions and matters not part or dealt with in collective bargaining giving rise to labour unrest"; we do not interpret this to mean the exclusion of inquiry into conditions which contribute to labour unrest and are attributable in whole or in part to the failure of labour and management to discharge their respective obligations which are either expressed or implied in the collective agreements negotiated.

Without suggesting, therefore, that the causes contributing to the prevalence of theft, pilferage, etc., referred to in Part I of this report do not do so, Part II of the report relates to certain specific

causes which contribute directly or indirectly to labour unrest in the St. Lawrence River ports.

A considerable portion of Part I was devoted to a review of the factors and circumstances which contribute to the problem of crime and other abuses on the waterfront. The same factors and circumstances are closely related to the problem of labour unrest and it is on the basis of this information that we find that, chief among the causes of labour unrest and unsatisfactory management-labour relationship are:

LACK OF COMMUNICATION BETWEEN EMPLOYER
AND EMPLOYEE, and

LACK OF DIRECTION AND DISCIPLINE.

In fact, to these two causes are related in one way or another most of the reasons for the labour unrest we have noted.

LACK OF COMMUNICATION BETWEEN
EMPLOYER AND EMPLOYEE

Even a cursory examination of conditions as they exist in the St. Lawrence River ports make it evident that much of the labour unrest or cause for dissatisfaction which characterizes the labour-management relationship is attributable to the lack of communication between employers and employees.

As previously stated, there is an almost total lack of dialogue or consultation between management and labour, and when there is communication it is all too often limited to that which is conducted through the respective legal representatives of the parties, or takes place in the course of a confrontation before a mediator or arbitrator. Not only is there this almost total lack of communication, but apparently no attempt has been made, or is being made, to provide the means by which consultation and dialogue might be promoted; there can be no doubt that were these to be achieved, even to a moderate degree, much of the suspicion and distrust which now serves to undermine the labour-management relationship would disappear.

The Port of Montreal unlike most of the great ports of the world has no local joint labour relations committee which in these ports serves to bridge the gap between labour and management and promote consultation and dialogue on a continuous basis.

We have been particularly impressed with the operation of the joint labour relations committee as it exists and functions in the ports on the West Coast particularly in the Port of Vancouver. These committees, consisting of equal numbers of management and labour, meet at regular intervals to discuss current problems; it frequently happens that differences or complaints which, if left unresolved, might well result in work stoppages, are settled amicably as a result of the consultation and dialogue which takes place in the joint labour relations committee.

To the lack in the Port of Montreal, of any form of local joint labour relations committee and the opportunity for communication and consultation which such a committee might provide are, we are convinced, due in large part the suspicion and mistrust which have long plagued labour relations. This lack

is all the more surprising when one realizes that, for the past twenty years or more, the Federal Department of Labour has maintained a Labour Management Consultation Branch, the chief function of which is to foster and promote harmonious labour-management relations in industry, achieved through local labour-management consultation committees, which qualified representatives of the Department of Labour are ready and available to assist in setting up and getting into operation.

We have been surprised to learn that (with the exception of the very recent formation of such a committee to function between National Harbours Board and its office employees) no serious attempt has been made to establish joint consultation committees in the Port of Montreal.

We have been provided with considerable, well conceived and attractive literature, prepared by the Department of Labour, explaining the nature, functions and purposes of its Labour-Management Consultation Branch and the character and operation of the local labour-management joint consultation committees.

We are astonished, however, to learn that this literature has not been circulated generally and

that apparently very little has been done to bring it to the attention of either management or labour with a view to making them aware of the mutual advantages which might accrue from the sort of consultation or communication which this literature describes.

It is of course evident that the creation of a joint labour-management consultation committee in itself will achieve nothing, unless both management and labour cooperate and are prepared honestly to try and make it work. Since this willingness to cooperate in such an effort is the primary requisite to any success, we have endeavoured to determine to what extent this readiness to work together in this direction exists or may be achieved.

We have found however that although there now appears to be some indication that management, with whom the initiative in such matters should lie, is at last beginning to recognize its responsibility in this area, little has yet been done to promote consultation and the cultivation of a better labour-management relationship. Everything must be done to promote and foster mutual trust and understanding between management and labour on the waterfront.

All recommendations contained in this report in this respect might not be implemented immediately, but there is no reason however why existing mechanisms such as the Labour Management Consultation Branch of the Department of Labour which is described above and which is designed specifically for the above purpose has not long ago, like in other industries in the country, taken the necessary steps to provide its services on the waterfront.

LACK OF DIRECTION AND DISCIPLINE

It is the view of this Commission that, to a great degree, the unrest and lack of discipline which characterize operations in the Port of Montreal, in particular, are attributable to lack of overall direction and supervision.

Coupled with the lack of discipline due to the absence of any local authority charged with responsibility of its maintenance, is that which results from the day-to-day failure of management to exercise its prerogatives. This failure may be accounted for, at least in part, by the rivalry existing between the various stevedoring contractors which makes one reluctant to take measures which might put him at a disadvantage in relation to others.

Frequently management, in the interests of expediency, permits breeches of discipline and irregular practices to go unpunished rather than incur the risk of retaliation.

Reference has already been made to the very limited role played by National Harbours Board in what is generally conceded to be the main function of those operating the port, namely, the business of loading and

unloading cargo. We take this to mean cargo in general and know of nothing which could justify the port authority in concerning itself solely with the loading and unloading of grain. To this end the Board enters into collective labour agreements with the grain handlers whom it employs. The situation however is different insofar as the loading, unloading and storage of cargo, other than grain, is concerned. With these operations, the Board does not concern itself. It neither employs nor supervises the employment of those engaged therein, and exercises no control or direction in respect thereof.

The result is that there is, for example, no overall direction or control over such matters as the security measures taken to safeguard cargo while on harbour property. On the contrary it is left to the various lessees and their stevedoring contractors to take such measures to this end as they may individually be satisfied with, and prepared to pay for, with the result that various private agencies are engaged to provide uncoordinated "watching services" the futility of which has already been described.

The National Harbours Board, instead of making it a condition of leasing sheds, that certain definite standards of sorting, checking and safeguarding cargo in its sheds be adhered to, and instead of enforcing compliance with these conditions, leaves it to the lessee to deal with these matters in the manner which he decides is most advantageous to him.

The National Harbours Board has deliberately abstained from all human relationship with those employed in the harbour, and there is no supervision by the Board or any other authority over the operation and execution of the collective labour agreements other than those to which the Board is party. The result is that there have been instances when labour and management have failed to discharge obligations imposed by the collective agreements, and have done so with impunity, simply because there has been no authority to take note of such failures and see to it that they are corrected and that the contractual obligations of the parties are discharged. For example, the last collective agreement between I.L.A. and Shipping Federation contains the following clause: "The Union agrees that it will not uphold incompetence, shirking of work, pilfering or

breaching of cargo, drinking of alcoholic beverages on the job or reporting for work under the influence of alcohol. An employee may be discharged or otherwise dealt with as the Companies see fit, for committing any of the above offences or for any just cause, but a claim by an employee that he has been discharged or disciplined without just cause may be the subject of a grievance". Notwithstanding this clause and in spite of the danger of accident and the effect which the consumption of liquor by longshoremen on the job has on productivity, our information is that this practice has been and is openly and regularly engaged in and is still accepted as a matter of course.

Mention of the consumption of alcoholic liquor as a cause contributing to labour unrest has already been made and there will be further reference to it in the course of this report.

The collective agreement contains the following clause: "Pending disposal of a dispute in accordance with the above arbitration procedure, men will work as instructed by the Companies subject to the provisions herein contained dealing with health and safety".

This condition has been violated repeatedly and with impunity. It may not be out of place to refer to one more example of the lack of discipline in the Port of Montreal.

When in 1966 I.L.A. launched a "wild cat" strike in the Port of Montreal, pickets of that Union, by the use of threats, prevented members of the National Syndicate of Montreal Harbour Employees (grain handlers) who were not involved in the strike, from entering the harbour in order to gain access to their employment. This illegal action was unresisted by the port authorities and no attempt was made to provide the grain handlers with the protection necessary to enable them to carry on their work.

It is at once apparent that there is an appalling lack of discipline in the Port of Montreal due to the fact that there is no authority exercising overall direction and supervision of the operations carried on therein.

The Commission has carefully examined conditions prevailing respectively in the Ports of New York, Brooklyn, San Francisco, Vancouver, London, Liverpool, Hamburg, Amsterdam, Antwerp, Marseilles and Le Havre,

and has taken note of the measures employed in those ports to remedy situations comparable with those existing in the Port of Montreal.

Reference was made in Part I of this report to the creation of the New York Waterfront Commission, the purpose of which was to establish an authority capable of coping with the prevalence of crime and lack of discipline which had reached disastrous proportions.

As previously indicated, the New York Waterfront Commission consists of two persons: one the nominee of the State of New York and the other of the State of New Jersey. Though two persons, they are nevertheless obliged to speak with one voice and, in addition to controlling and maintaining the register of longshoremen, etc., supervising the hiring of same and assuring the availability of an adequate work force, the Commission exercises wide powers of a disciplinary nature.

Attention is drawn to the fact that local committees or authorities known as Local Dock Labour Boards, possessing powers and charged with duties comparable with those pertaining to the New York

Waterfront Commission, and constituted under the scheme administered by the National Dock Labour Board, exist in the Ports of London and Liverpool respectively.

Likewise in Antwerp similar functions are entrusted to what is known as the Parity Committee, on which management and labour are represented equally, but the chairman and vice-chairman of which are appointed by and responsible to the Minister of Labour.

In Part I of this report the registration of dock labour in the Port of Montreal was recommended in connection particularly with control of crime and it was pointed out that the introduction of a system of registration would necessarily entail the creation of an agency or authority to operate it; we have discussed the need for such an authority with a number of persons occupying positions of responsibility in various fields of operation in the Port of Montreal and the consensus of opinion strongly supported the view that there is a deplorable lack of discipline in the port and an urgent need for the establishment of a local authority vested with wide powers of a disciplinary nature and responsibility for supervising the execution of collective agreements and compelling compliance therewith.

This Commission agrees with this view and is fully convinced that it is of the utmost importance that immediate steps be taken to create a local dock board, vested in particular with the necessary powers and charged with responsibility, for the restoration and maintenance of discipline on the waterfront. In fact it is difficult to see how any acceptable improvement can be achieved in the Port of Montreal unless and until such an authority has been established.

The investigation which had preceded the creation of the New York Waterfront Commission had established that the main causes for irregular and criminal activities as well as labour unrest in the ports of New York and Brooklyn in particular, were the hiring practices involving the shape-up system and the undue authority given hiring foremen as well as the excessive control of the union over not only foremen, who were members of the union, but as well over management which had slowly given in to criminal elements in order to achieve what it considered a more profitable operation.

In its introduction, to its report in 1953, the New York State Crime Commission stated: "However,

the most important factor threatening the welfare of the Port is the entrenched existence of deplorable conditions involving unscrupulous practices and undisciplined procedures, many of which are criminal and quasi-criminal in nature. To understand the conditions as revealed by the Commission, it is necessary first to appreciate the importance of speed in the loading and unloading of vessels and, second, to be acquainted with the basic operations of a pier".

.....

"Dock costs are an additional factor. The shorter the "turn-around" the more vessels can use a pier, and the fixed dock costs will be lower per vessel. Hence there is pressure on everyone concerned to get ships turned around as rapidly as possible. A day's delay of an ordinary freighter's "turn-around" may cost the owner as much as \$5,000.00.

Shippers and consignees are often equally concerned in the demand for speed. Demurrage charges and the spoilage or loss that may be occasioned by belated delivery of perishable or seasonal cargo are compulsive factors. This high cost of delay is an open invitation to black mail."

In describing conditions prevailing in the Port of New York at that time it stated in particular: "It was established that at least 30 per cent of the officials of the I.L.A. longshore locals have police records. Waterfront criminals know that the control of the local is a prerequisite to conducting racket operations on the piers. Through their power as union officials, they place their confederates in key positions on the docks, shake down steamship and stevedoring companies by threats of work stoppages, operate the lucrative public loading business, and carry on such activities as pilferage, loansharking and gambling."

.....

"Among the more unhealthy conditions existing on the waterfront are the present shape-up system of hiring dock workers and the practice of compelling employers to accept undesirable men as hiring foremen. The hiring foreman hires the longshoremen and the dock boss hires the checkers."

The New York State Crime Commission eventually concluded for adoption of legislation creating the New York Waterfront Commission and giving it the

power necessary to "abolish the shape-up system and to remove other abuses from the docks"; to license and supervise stevedoring companies; to license pier superintendents and hiring foremen and to license port watchmen.

To accomplish this the New York Waterfront Commission took over administration of the register of men on the waterfront and has, ever since its formation, exercised the power to suspend temporarily or permanently personnel considered undesirable on the waterfront because of their involvement in irregular and criminal activities.

In order to carry out its duties properly the commission, in due course, organized hiring centers and although its primary objective is still prevention of crime on the waterfront, it has through its control of the register of dock workers and the licensing of employers become intimately involved in management-labour relationship.

Ever since the organization of the New York Waterfront Commission, labour has attempted to reduce the powers of the Commission. In January 1969 for instance, management agreed, although it knew that it would serve no purpose, to include in the collective agreement, a clause that "a joint contractual body", with equal representation from labour and management, would be formed which would take over administration of "all contract provisions relating to hiring, seniority and income guarantee matters".

This proved to be of no avail as the New York Waterfront Commission continued to retain its original powers.

As appears from Appendix "A" concerning European ports, the ports of London, Liverpool, Antwerp, Marseille and Le Havre have, as a minimum, an authority which independently administers the dispatching of dock workers. In some of them, security in particular and the carrying out of some clauses of the collective agreements are in the hands of a local port authority or of a labour board appointed by the government alone or jointly by the government and management and labour.

It is notable that wherever there is a reasonable degree of communication between the parties the tendency has been to arrange for the enforcement of collective agreements through parity committees operating as such, though under well defined rules, sometimes defined by governmental authorities.

It might be that, in due course, once proper communications have been established between management and labour in the ports of Montreal, Quebec and Trois-Rivières, joint management labour committees will be able to achieve, on their own, efficient working of collective agreements but there is no doubt in the mind of the Commission that, at this time, it would be impossible to rely on the possibility of management and labour getting together on their own.

RECOMMENDATION

The Commission strongly stresses the absolute necessity of establishing as soon as possible a local dock board vested with the authority to enforce the collective agreements and with wide supervisory and disciplinary powers and fully capable of exercising same summarily and on the spot.

POWERS OF THE BOARD

The proposed local dock board should be charged with responsibility for, amongst others, the following matters:

- a) Overall supervision and discipline
- b) Registration, licensing and identification
- c) The operation of the hiring hall
- d) Arbitration
- e) Information and communication
- f) Instruction and training programs
- g) Promotion of labour-management consultation

The role of the proposed local dock board in connection with the various matters above mentioned respectively may be outlined briefly as follows.

a) Overall supervision
and discipline

The Commission recommends that the proposed board be given full authority to exercise general supervision and maintain discipline throughout the harbour. The authority should include the power to punish infractions by anyone falling within the Board's jurisdiction, whether to the criminal code or the National Harbours Board regulations as well as failure on the part of either labour or management to comply with the terms of the collective agreement.

Punishment may take the form of suspension or revocation of registration or license, as the case may be, or consist in the imposition of fines to be collected summarily.

In addition, the proposed board in exercising its authority in respect of hiring practices and related matters should have the power to examine books and records of both union and management, and the authority to summon witnesses.

b) Registration, licensing
and identification

In Part I of this report the necessity for setting up systems of registration, licensing and identification was stressed as a means of eliminating criminal and other undesirable elements from the waterfront.

It is recommended that it should be the function of the local dock board to set up, maintain and control these systems not only for the purpose above mentioned but, even more important to achieve proper decasualization, and at the same time, ensure the availability of an adequate day to day work force, all of which constitute an area involving many problems in which the value of competent, independent judgment cannot be overestimated.

In addition the licensing of employers by the proposed board would give it proper means of enforcing its authority in the field of overall supervision and discipline as mentioned earlier.

In New York an appeal lies to the State and Federal courts in all cases where the New York Waterfront Commission has refused, suspended, or

revoked a registration or a licence.

An appeal should also be provided from decisions of the proposed board in matters of licensing and registration with provision, however, for interim implementation of its decisions pending a final judgement.

c) Hiring Hall

The local dock board should be given control over and made responsible for the operation of the hiring hall and dispatch of dock labour. Such control is urgently needed if the abuses and discrimination in this area and which are described in detail later, are to be overcome.

d) Information

The Commission has ascertained through private interviews with a number of dock workers that a majority of them are ignorant of the workings of the various funds which have been created through the collective agreement, such as the Job Security Fund, the Technological Displacement Fund and the

Pension Fund and that many of them fail to see the utility or the reason for the operation of a central pay office. It is of importance to note that no collective agreement has been printed for them, in years.

In many cases, dock workers are unaware or misinformed about the grievance procedures and of their rights in this respect. The same can be said with respect to safety inspection and the responsibility of management and union in this regard.

Union members have to depend on their executives to be informed and since a minority turn up at union meetings, most of the time, they must rely on such information as might be posted by their employers in the work place.

The men are left to themselves to draw their own conclusions from such information as they may gather in this manner or might obtain from individuals who at times are more intent on promoting dissatisfaction and labour unrest to their own benefit

than fostering the good of the union.

The exercise by the proposed board of supervisory and disciplinary powers cannot suffice alone. The parties have a very long way to go towards understanding and cooperation, all of which should eventually permit them not to be obliged to have recourse to the kind of board which is now proposed. It would be necessary therefore for the proposed board to embark on a vast program of education through social animation and by using the most up-to-date educational techniques, such as audio visual aids and other forms of motivational aids, all of which have been sadly lacking for so many years on the waterfront.

As already pointed out, the Department of Labour already has available a wealth of resources in this respect and the board should be empowered to call upon those recourses at will.

One would expect that management itself would be properly informed on the foregoing but the constant disputes existing between the various employers and between stevedoring contractors and shipping agents as well as with the National Harbours Board leads to the same result as far as management is concerned.

The Commission suggests therefore that the proposed board should be charged with the duty of properly informing all dock personnel, on all matters concerning their working conditions and conditions of work.

In addition it would follow logically that the proposed board should assume the responsibility of supervising and grouping together if need be the administration of the various funds provided for in the collective agreements such as the Job Security Fund, the Technological Displacement Fund and the Pension Fund. To this could also be added the responsibility for supervising and grouping with the funds already mentioned the administration of the Central Pay Office, so as to prevent the duplications which now impede the efficient working of these funds quite apart from the added costs incurred.

e) Arbitration

The Commission is of the opinion that it is necessary, as is explained later in this report, that the proposed dock board be given the power to arbitrate any conflict arising out of working conditions and

terms of employment; and, in addition be empowered to investigate matters which might be the subject of grievances and of its own accord decide on them, whether or not said matters have been submitted to it by the parties.

f) Instruction and training programs

Later there will be reference to the lack of instruction and training of dock labour, particularly longshoremen and checkers and its relation to labour unrest.

Responsibility for the provision of proper instruction and training of this kind should be made the responsibility of the proposed board.

g) Promotion of labour-management consultation

It should be a function of the board to promote consultation between labour and management in every way possible and in particular in the matter of assisting in the organization and operation of joint consultation committees.

COMPOSITION OF THE BOARD

Considerable thought has been given to the composition of the Board. As already stressed, it is of paramount importance that it should be vested with wide powers of direction and supervision in the areas assigned to it and be empowered to exercise these powers summarily and on the spot when circumstances are deemed by it to demand immediate on the spot action.

With this in mind the Commission favours the appointment by the Minister of Labour of a Board consisting of one man, who shall be its chairman, assisted by two advisors or assessors who possess wide knowledge of the operations carried on in the Port and the problems pertaining thereto.

It might well be provided that either of the advisors could replace the chairman in the event of his being temporarily unable to act due to absence or other cause. The decision of the chairman would be final, notwithstanding the dissent of one or both of the advisors.

It may be stated that the Commission has been assured by representatives of management and

labour respectively that the existence of some such authority where decisions would be prompt and susceptible of immediate implementation would be welcomed by them both.

The possibility of the local port Manager being a member of this board has been examined but since the jurisdiction of the Board, in the areas assigned to it, would extend over all operations throughout the harbour (including those now being carried on by the National Harbours Board) it is considered that it would not be proper that the National Harbours Board (as distinct from management generally) should have a representative on the Board.

It is suggested that it would be advisable to provide that both chairman and advisors should be appointed for a term of reasonable duration, possibly five years.

FINANCING OF THE BOARD

The New York Waterfront Commission is financed through an assessment on payroll. It has been pointed out to us, however, that such an assessment might cause undue hardship to certain employers, since,

with the advent of automation, others might unfairly benefit from a lower assessment through a reduction in their work force.

The Commission considers that it might be more equitable for all concerned if the board were to be empowered to obtain the money necessary for its operations, through a tax on cargo.

It might be that the eventual result of a tax of this nature would impose an additional burden on employers, but it is pointed out that the board by assuming the responsibilities above mentioned would, in effect relieve both employers and employees of a financial burden they have heretofore had to carry partly anyway.

JURISDICTION OF THE BOARD

While the intent of the Commission is that the proposed board have jurisdiction within the scope of the matters assigned to it, over those operations connected with ocean-going cargo in particular, there is no reason why its jurisdiction should not encompass all persons having business within the harbour.

Because of its immediate interest in the application of the collective labour agreements between the parties, it would seem normal that the proposed board be given the right to intervene of its own accord in any proceedings involving these matters.

ADDITIONAL SPECIFIC CAUSES OF LABOUR UNREST

In addition to the two above mentioned general and basic causes giving rise to labour unrest, the Commission has noted certain particular causes of dissatisfaction which do not relate exclusively to either of the said two general causes but rather to a combination of both. There are moreover certain other causes of unrest which do not relate to either lack of communication or discipline but appear to be attributable to deficiencies in the administrative system or the lack of autonomy with which the local ports are afflicted.

1. Lack of a properly constituted and operated hiring hall

From the information we have, it is clear that the hiring hall as it now exists and is operated, is far from satisfactory, and that the present hiring practices, constitute an important reason for much of the unrest and dissatisfaction which is shared by both labour and management.

According to Article 31.01 of the present collective agreement, between I.L.A. local 375 and

the Shipping Federation of Canada Inc., dispatch of the work force is the function of management. As provided by the Picard report, the rotation system has been initiated and is complemented by a number of items included in the present collective agreement, more specifically by Article 7 which provides for equalization of earnings among the regular gangs as well as among the extras, by Article 8 dealing with gang sizes and composition, Article 9 relative to manning and deployment of the work force, Article 21 relative to the rotation of gangs during winter.

Up to the month of June 1969, management used six tape recorders on telephone lines to call up a required number of union members in order to increase gang sizes or to replace gang members, those sick or on holidays. Since according to experience, management knew that at any time anywhere from 20 to 30% of gang members would not report to work, most of the additional supernumeraries would be called on tapes to report to the dispatch hall.

Starting June 1969, another tape was added to call in supernumerary shipliners to complement the 10 gangs of I.L.A. local 1552. Furthermore, to comply

with the present collective agreement, 10 additional tapes were installed on August 20th, 1969, in order to call the 96 regular gangs directly from the hiring hall instead of these gangs being called in by the companies themselves. While the tape recorder center is manned by management through Shipping Federation, the physical dispatch hall is run by the Vice-president of I.L.A. local 375. This latter hall dispatches all longshoremen, except the members of those gangs which have been called in, and union members who have been called in on tape and have been assigned to specific jobs. In theory, this system appears to be efficient, but in practice, it is in fact less than efficient mainly because of a lack of discipline on the part of the workers and the lack of stamina on the part of management to enforce discipline. As in every other aspect of the operation of the harbour, the facts described hereafter constitute the apparent and smaller part of the iceberg of labour-management marasme in the harbour.

As aforesaid, especially during the months of June, July and August, absenteeism upwards to 25% is the rule in the labour force. Not only do regular

gang members fail to report for cause or no cause, without telling their foremen, but additional men, called on tapes also show the same rate of absenteeism. Unlike any other industry, the longshoremen are free to take holidays or days-off any time they please. The only hindrance they encounter is the fact that if they take too extensive holidays, they may lose their job security guarantee which is presently extended to members having worked 800 hours during the previous navigation season. This means that they must have worked a minimum of 20 weeks at 40 hours a week, while the job security period extends for 37 weeks. As it now stands, the dispatch hall not only cannot supply a sufficient number of workers to replace those absent but also is unable to supply additional men to increase gang sizes. The fact is that union members, the majority of whom report regularly to work, complain bitterly that they are the ones who work to replenish the job security fund which extends its payments to comply with the job guarantee plan, to unavailable workers, be they regular gang members or non gang members. In this latter category, although men would be assured the opportunity to work almost daily, most

of them only report to be assured of their job security guarantee. A good number of them prefer not to be assigned to a regular gang since they can report late at the dispatch hall, get a late assignment, continue to play dice in the hall and arrive at work as much as two hours late, having stopped on the way at a nearby tavern, and being paid from the beginning of the call. Moreover, once they get to their job, they will insist on getting their spell'o which is completely different from the relief period provided by the Picard report. Whilst the Picard report provided for relief men in accordance with the practice in the industry in general, the longshoremen have stuck to what is called here the spell'o system and was known under different terms in other harbours until such a practice was terminated. As already mentioned in the earlier part of this report and to give but one example of the multiplicity of arrangements, if 8 men are to work in a hold, 4 of them may work during the first 2 hours and the other 4 during the other 2 hours of a 4 hour shift, or similarly, 4 members may work during the morning and the other 4 during the afternoon for an 8 hour shift as contemplated by the last collective

agreement. The result is that gang members who have worked from 8:00 to 10:00 when the additional men come in would like to get away for their spell'o period but the new additional men insist on getting their spell'o as well. The additional men are generally considered by gang members as rough necks and the foreman who, as in all other respects has no authority whatever, is in no position to insure the proper working of his gang.

Moreover, a good number of men working in the hold are likely to be past the age of 50 or even 65 years as a result of the seniority plan having been implemented helter-skelter. These men are unable to give the same productivity as younger members who usually will impose upon them the particular workings of the spell'o period, to their liking, by threats and intimidation.

A common situation may develop when because of a lack of union members, a supernumerary may be assigned to complement a regular gang. The missing member may be absent for even a month to the knowledge of the foreman. The foreman would like to keep the new man he has been given to replace his missing gang member, for the period contemplated. However, at each

call, the dispatching has to be made from the dispatch hall and consequently not only is the foreman likely to lose the man he has had during the morning period but may get in the afternoon a union member who will come in late and cause the same problems as above described. He may even not get any worker at all to complete the required number of workers in his gang.

On top of that, all sorts of problems arise as, for instance, the fact that some gangs may have as many as four forklift operators or an equal number of qualified winch operators whereas some other gangs will have one or two or none, and as aforesaid 20% of the labour force being absent, they cannot be replaced by qualified workers.

This figure of 20% could be considered as being a maximum, but on two separate occasions, the Commission ascertained that out of a total of some 50 additional workers who had been called on tape, only 25 of them had reported to work the following day. Even if the collective agreement provides that management can form additional gangs, it is very well known on the harbour that many non-regular gang workers do not want to be assigned to a regular gang although

the employers need these additional gangs and have formed up to 14 of them as a desperate move to get their work done. With regard to the formation of these gangs, management has to abide by seniority rules and, suffice it to say, this question is only another headache added to the already existing overall malaise.

The Commission has had the opportunity to look into the actual workings of a number of hiring halls and nowhere has an approaching absenteeism rate been observed. It is totally unthinkable that no supervision at all should be exercised and no regulations provided as to holidays and absences without cause. Nowhere either is such a mess existing with regards to the relief period, not to mention consequences arising out of constant drinking and a persistent climate of threats and intimidation. It is most imperative that the control of the work force as well as its dispatching be assumed by an independent body such as the proposed local dock board which will have sufficient authority to act without fear of possible consequences which are not likely to present themselves if this body is vested with the authority

necessary to rid the work force of all the undesirable characters who rule over the great bulk of their fellow workers as well as management. The latter is in no position, and will not be in a foreseeable future, to impose discipline which the labour force is crying for. It should have been the function of management as provided in the collective agreement to insure a proper dispatching of the workers but it has miserably failed to do so for the various reasons which have been exposed in the present report.

Furthermore, with regard to classification of employees, it has been a matter of discord between the union and the employers, the latter, while bound by the collective agreement to hire members of the union, having resisted doing so, by upgrading the classification requirements for certain jobs.

RECOMMENDATION

For the reasons hereinabove stated, it is recommended that the proposed board establish and maintain the hiring hall, enforce the seniority rules and determine the classification of employees, all of which are intimately related to the hiring and dispatching of dock workers.

2. Lack of instruction and training programs

We are convinced that the lack of training and instruction programs in the St. Lawrence River ports is unfortunate and works to the disadvantage of both labour and management.

The June agreement previously referred to, (in the first part of this report under the heading of Local 1657) provides for interchangeability between members of three locals in Montreal, i.e. locals 375, 1657, 1552 and two locals in Quebec City.

While this has provided an important improvement in the flexibility of labour, the lack of qualification of members of these locals, for work which they had not been called upon to perform in the past, has created a number of difficulties. For instance, there are many cases where members of a gang are unable to operate a forklift or some piece of equipment and will be kept idle while other men have to be used for this job. These "dead heads" are not only an additional burden on the payroll, but obviously their idleness leads to considerable dissatisfaction amongst other longshoremen who are working.

There are instances also where stevedores and checkers will intentionally refuse to train members of another local, or even of their own local. This is done intentionally for the sole purpose of blocking the proper functioning of the interchangeability scheme, or to protect a particular qualification. In other cases, it is simply due to a lack of understanding of the workings of the Job Security Fund.

This in turn causes additional problems in the hiring hall, when extra hands have to be added or extra gangs have to be formed.

It should be kept in mind, as well, that for terminal operations to function efficiently, it would be necessary that as much flexibility of labour as possible be accomplished.

The introduction in the last collective agreement of the Technological Displacement Fund constitutes a major step in helping to modernize operations in the harbour, while at the same time alleviating the hardship that might otherwise have been caused to the labour force.

We understand that management and union have agreed to use this fund not only for the employees who

must retire because of automation, but also to help implementing interchangeability as described above, through training of longshoremen and shipliners as checkers.

Training is now provided and operates successfully in many of the great ports of the world and has come to be regarded as a valuable necessity and an economically advantageous feature of stevedoring practice. There would seem to be no reason to doubt that the operation of such programs makes for a more satisfactory management-labour relationship.

Programs of this nature exist in the Pacific Maritime Association on the West Coast of the U.S.A., and we understand that nearly 1600 men have been tested and/or trained in these programs in various longshore skill categories.

In San Francisco, training center class room sessions are held for winch driver and forklift operator trainees. The practice is to use idle ships gear for preliminary training. Through the cooperation of P.M.A., members steamship lines and agencies, ships' gear at idle hatches is made available for winch driving training with the result that a man is proficient before he actually enters the "job phase".

Marine clerks (checkers) training program was started in Portland, Oregon, in 1967 and 53 newly registered clerks, of whom half were entirely new to the waterfront, were given one week in the classroom and three weeks on the job working with experienced clerks. All phases of receiving, delivery and hatch checking were included. Classroom sessions also included material not peculiar to checking alone, e.g. nomenclature, safety, documentation, types of ocean carriage, etc. Our information is that these training programs have been most successful and have resulted in the reduction of damage and increased production.

In Seattle, the training program for crane operators was completed in 1966 and a similar one for forklift drivers in 1967. Training and instruction programs exist in most of the European Ports as appears from Annex A. The following quotation from Lord Rochdale Report (1962) is noteworthy:

"The national training scheme for dock workers

411. Most industries provide training facilities for newly recruited employees and find that the expense involved is amply repaid. The need for such facilities and the benefits they can confer

are as great in the docks as anywhere. Dock work demands special skills, in fostering which not only the efficiency and safety of the dock worker but also his status can be enhanced. In the light of this we are glad to record that the National Dock Labour Board in conjunction with the National Joint Council has recently introduced a scheme for the initial training of new recruits to the industry. The object is to introduce the recruit to new and up-to-date methods of cargo handling and at the same time to foster a pride in dock work. The scheme is financed from the general levy and, during training, employees' wages are paid by the Board at the national time rate minimum. It is indicative of the interest underlying this project that to date much of the capital equipment required has been provided free of charge to the Board by port authorities, shippers, shipowners, etc". (Underlining is ours).

RECOMMENDATION

It is recommended that the proposed board take immediate steps to provide a system of appropriate instruction of longshoremen and checkers.

3. Low productivity

Dr. Picard reported that "physical productivity (expressed in tons handled per man-hour) dropped 14% from 1964 to 1966, after having reached a peak at the beginning of this period". The report recently submitted to the Commission by Mr. Pierre Dufresne, and annexed hereto as Annex "D", shows that in the years 1967 and 1968, there has been a further regrettable decline in productivity. The additional information which has been gathered by the Commission has also demonstrated this fact.

Decreasing productivity accompanied by substantial increase in longshoremen wages poses a serious threat to the future of the port of Montreal.

There are no doubt various opinions as to the reasons for this decline in productivity and how, if at all, it could be remedied.

We are convinced, however, that certain measures could be taken which would at least contribute substantially to the reversal of this downward trend.

Among the abuses which are practised, and to some of which reference has already been made in Part I of this report, are absenteeism, the abuse of the relief or spell'o system and the consumption of alcoholic beverages on the job, to all of which is undoubtedly attributable a measure of responsibility for the unsatisfactory level of productivity.

As already noted these abuses go virtually unchecked in the absence of anything approaching effective supervision or serious attempt to enforce discipline.

In fact to this lack of discipline in the harbour is directly attributable the prevalence of those practices which militate against the achievement of the degree of productivity which would otherwise be well within the capability of the port.

The obvious remedy in this area lies in the effective supervision of the work force and the firm application of disciplinary measures whenever they are warranted.

It is not for example sufficient in the case of absenteeism, that is the repeated failure to report for work when called, that the offender should merely forfeit his right to receive pay. Failure (without justification) to report when called on three occasions within a stipulated period should be penalized by temporary suspension or in some other appropriate manner.

The abuse of the spell'o is flagrant and practised with impunity; there can be no doubt that this fact can be attributed mainly to the fact that management is not exercising its managerial prerogatives.

In considering the matter of unsatisfactory productivity we have not overlooked the possibility that the provision of appropriate incentive factors might be a means of achieving a higher level of productivity. Measures of this nature are employed in certain European ports notably in the ports of Marseilles and Le Havre, apparently with some success.

The circumstances in these cases may, however, differ so greatly from those which prevail here, as to make it problematical that similar incentives would evoke an appreciable enthusiasm on the part of local longshoremen who enjoy a much higher wage scale than their European counterparts.

The concept of equal pay for all, which is now a rule locally, would appear to rule out the payment of a monetary bonus to any individual person or gang. Would it not, however, be feasible to offer longshoremen generally, a bonus at the end of each month in which overall productivity had exceeded a specified level, the said bonus to be divided equally, share and share alike amongst all longshoremen.

A bonus of this kind would, however, in some ways, as does the rule of equal pay for all, inure equally to the benefit of the indolent and the diligent.

The objection that a bonus to labour for increased productivity might work an injustice to management in those cases where the increase might

be attributable, not to the efforts of labour, but to the installation, at great cost, of modern machinery is not entirely without foundation. However, we do not consider that it necessarily rules out the use of the incentive factor as a practical means of stimulating effort.

Moreover, it is the interest of the industry as a whole, rather than that of certain individuals comprised therein, which should be considered and if, due to the provision of appropriate incentives, the overall level of production in the industry could be raised, should not the desirability and feasibility of such factors be at least given serious consideration.

RECOMMENDATION

This area of productivity and the means of providing proper incentive is a matter which could come properly under the responsibility of the proposed board in promoting information and labour management consultation.

4. Lack of unanimity on the
part of management

We have been informed repeatedly that one of the circumstances which has served to complicate and make difficult the labour-management relationship, insofar as longshoremen are concerned, is that all too often management has been divided and unable to speak with one voice.

Unfortunately, as previously stated this is a difficulty which has not yet been resolved notwithstanding the fact that management (comprising shipowners, agents and stevedoring contractors) in November last caused the creation of Maritime Employers Association which it was hoped would in future speak authoritatively for management as a whole. This hope has been realized to the extent that during the negotiation of the contract now in effect, management spoke with one voice at least to a greater degree than theretofore.

Unfortunately, however, we are given to understand that there are still rather seriously divergent points of view between the constituent members of the association to the extent that it

remains a matter of grave doubt that it will continue to speak for management or that effective unanimity on the part of shipowners, agents and stevedoring contractors is a possibility.

In Part I of this report, mention is made of the fact that with the exception of two, namely Saguenay Shipping Limited and Federal Commerce & Navigation Co. Ltd., which are Canadian companies, all shipowners doing business in the port of Montreal are European or non-Canadian, and are represented here by local shipping agents to whom National Harbours Board leases its sheds. It has been pointed out moreover, that these shipping agents, who have little interest in the port other than the revenue derived by them from it, constitute a majority of the membership of Shipping Federation of Canada Inc.

As already stated, one of the most complicating factors in the area of the labour-management relationship has been that, although it is the stevedoring contractors who actually employ the longshoremen and are subject to the collective labour agreement, it

is the Shipping Federation of Canada Inc which negotiates and signs the said agreement. The interests of the shipowners and their agents have not always coincided with those of the stevedoring contractors, with the unfortunate result that it has all too frequently happened that management has been divided and has failed to speak with one voice.

One recent example is that of the setting of the Central Pay Office. Prior to the signing of the last collective agreement it was becoming more and more evident that a Central Pay Office would have to be set up. The Interprovincial Association of Stevedoring Contractors knew that the Shipping Federation was in the process of organizing one, but nevertheless decided to go ahead and set up its own organization as soon as possible before the signing of the collective agreement. A separate company was formed to run the Central Pay Office using the equipment of one stevedoring contractor. The last collective agreement provided that management would set up its own Central Pay Office. It was then too late, since the stevedoring

contractors had already organized one and, although it appears to function effectively, it nevertheless gave rise to a certain amount of unrest inasmuch as longshoremen regarded with suspicion its being run exclusively by their immediate employers, and the Shipping Federation is likewise critical since it is their organization, which according to the collective agreement, should be running it.

The plain fact is that time has run out and unless the unanimity which is essential is achieved very soon (through the voluntary efforts of the constituent membership of the Shipping Federation and this appears unlikely) some external authority may have to intervene to resolve the difficulty.

From the standpoint of efficiency and advantage to the port, both the necessity and desirability of the involvement of either the shipowners or the agents in the labour-management relationship between the stevedoring contractors and longshoremen are questionable.

As has already been stated, neither shipowners nor agents have any interest in the operation of the port beyond the profit they respectively derive therefrom. Why therefore should the shipowners or agents, neither of whom contribute to the operation of loading or unloading cargo, but both of whom seriously complicate the labour-management relationship, participate in, much less dominate the negotiation of collective labour agreements, the terms of which are binding upon the stevedoring contractors.

It would be more logical, simpler and more satisfactory if the negotiation and signature of the collective agreements were left to the "de facto" employers on the one hand and the International Longshoremen Association on the other.

RECOMMENDATIONS

Accreditation of Employers' Association

There seems to be no legal way at this time under existing canadian legislation to regulate the grouping of employers in such a manner as to be properly representative of management.

The report of the Task Force on Labour Relations headed by Professor H.D. Woods (under the heading of Management Rights and Responsibilities, paragraph 531) underlines the fact that "there is nothing comparable to the elaborate certification procedure for unions to protect employers in the exercise of parallel rights".

The report refers to a study prepared under the auspices of the Canadian Construction Association to support its recommendation that "an accreditation system of an employers association along the lines of existing union certification procedures, be made available on a trial basis in the trucking, longshoring, and any other federal industry where the Canada Labour Relations Board considers it appropriate".

The Commission fully endorses this recommendation which would afford a remedy to the present situation.

Integration of smaller locals

The difficulty of the lack of a management unit accredited in this fashion on the waterfront is compounded by the existence of several small locals working within the same sheds and doing similar work as that of the larger locals.

Reference is made to what has been said in the first part of this report in connection with the introduction of terminal operations and the labour problems that this might cause.

In the report of the Task Force of Labour Relations (under the heading of Union Rights and Responsibilities, paragraph 453), comments are made on the "centralizing tendency in collective bargaining, as parties seek to adjust to issues which have ramifications extending beyond existing bargaining units".

A recommendation is made in this section that the Canada Labour Relations Board be given discretion to "confirm the unit in a certificate".

The Commission feels that in special circumstances such as in longshoring, the Canada Labour Relations Board be given the power to go a step further, and be permitted to order the integration of locals of the same union provided that the work which they carry out is in the same work-place and is sufficiently related, keeping in mind the interest of both union and management and the protection of acquired rights.

Walking bosses and foremen

As pointed out in the first part of the report, walking bosses and foremen are still subjected to the dictates of the union, thereby preventing management from properly exercising its prerogatives.

The last collective agreement states that it is applicable to the walking bosses with the proviso however that the union "shall not pass any rule or regulation which might subject the walking bosses to any penalty or sanction as a result of any act committed in the performance of their duties".

The Commission feels that not only should walking bosses be completely removed from the bargaining unit, but that the foremen also should be removed therefrom.

5. Lack of instant arbitration

The lack of a satisfactory grievance procedure and expeditious arbitration has long been a cause of dissatisfaction on the part of both labour and management.

The last collective agreement contains provisions relative to the handling of grievances and arbitration. It does not however provide for a dock arbitrator empowered to hear minor disputes as they arise and render on the spot decisions.

Immediate arbitration of minor disputes is an important feature of the system in effect in West Coast Ports and it is one which has time and again proven its worth.

The Commission has ascertained that, so far, the use of the mechanisms now provided here, has failed to produce a satisfactory result. One typical example of the difficulties in which the parties are involved, due to the complete failure of the parties to communicate and the lack of information to dock workers, as to the immediate intent of the various clauses in the collective agreement, is the following: The Gold

Award provides that a seniority list is to be prepared by the union and accepted by management, subject to certain facts being verified by management. Classification and promotion are not the only things dependent upon seniority but the forming of extra gangs is also dependent on the seniority list.

The union has established a seniority list but since the majority of the membership omitted to follow up this matter, the eventual forming of the gangs according to seniority resulted in dissatisfaction for most members of the union. The list had been started before the Gold Award and in many cases there were accusations of favouritism directed against the union by some of its members.

The result, therefore, was that the forming of extra gangs was stymied due to inability on the part of the union to settle its own difficulties all of which eventually resulted in a one-day work stoppage.

In the past and even at this time, the experience has been that unsettled grievances would accumulate by the hundreds with the resulting dissatisfaction and unrest that would ensue.

RECOMMENDATION

The Commission is therefore of the opinion that it is necessary that the proposed board be given the power to arbitrate (whether acting as a board or through an "on the spot" arbitrator engaged by it) any conflict between the parties arising out of working conditions and conditions of work, and that, in addition, it be empowered to investigate matters which might be subject to grievances and to decide of its own accord on those matters, whether the parties have submitted same to it or not.

6. Lack of governmental involvement

It traditionally has been the practice of government not to involve itself in the labour-management relationship unless by way of intervention during the course of a strike.

This limited involvement in the labour-management relationship on the part of government in the past on a purely ad hoc basis has been criticized and in this Commission's view this criticism is well founded.

Much can be said for the proposition that government, through its Department of Labour, should be actively concerned with, and to the extent necessary, involved, on a continuous basis, in the fostering and maintenance of good labour relations particularly in the national ports, and that governmental involvement on this basis might contribute greatly to the attainment of this objective.

What certainly is not advocated is that the government should interfere in the collective bargaining process or intervene in proceedings pending before a

mediator or arbitrator unless, of course, invited to do so by both parties to the dispute. Rather, it is that there should be government involvement on a continuous basis, to the extent the circumstances may warrant, with a view to the fostering of good management-labour relations but that this involvement should not intrude upon the field of collective bargaining but should be limited to those matters falling outside of same.

This thought was well expressed in "Submission to Government of Canada" made by the Canadian Railway Labour Executive Association, dated February 17th, 1969, from which the following is a quotation: "It is our opinion that the government's responsibility goes beyond enacting legislation designed to regulate the relationship between labour and management in the interests of the general public. The responsibility should include machinery that will enable the Department of Labour to participate in a more positive and continuing role in labour relations, rather than the "ad hoc" role it has traditionnally played".

The desirability of greater governmental involvement with a view to the improvement of labour-management relations was stressed in "Canadian Industrial Relations" (the report of the task force on labour relations made in December 1968) at page 201:

"Second, the department has a major role to play in settling and preventing labour-management disputes and in improving relations between the parties".

This report contains recommendations concerning conciliation and mediation in cases of labour-management disputes as well as the creation of a Public Interest Disputes Commission.

RECOMMENDATION

We fully endorse the recommendations of the Report of the Task Force on Labour Relations (Sections 709 and 710) in respect of the Government's assistance in industrial relations in "preventing labour-management disputes and in improving relations between the parties", in order to avoid the type of eleventh-hour confrontation which "often leaves underlying problems unresolved".

7. Lack of permanent joint planning committee

We are convinced that at the root of much of labour's apparent intransigency, has been the fear that technological changes which may be expected to take place, will have the effect of depriving its members of opportunity to work. This is a fear which is not only natural and reasonable but one which could be well founded. There may, however, be ways and means by which labour may be reassured that technological changes will not have the effect of leaving them both jobless and unprovided for, but may actually prove to be to labour's advantage as well as to that of management.

It is in this area that the necessity for consultation and joint planning is particularly pressing, and in the view of this Commission it is essential that a permanent joint planning committee, assisted by qualified experts and making use of all relevant governmental services, should be created. It should be charged with the responsibility of attempting to forecast probable technological changes and their

effects both in respect of savings to management and upon the number of longshoremen who might prove to be redundant if such changes were introduced. It should ensure that provision be made to

- (a) assure labour a fair share in the benefits accruing from the introduction of modern technology,
- (b) absorb surplus men in other jobs, or
- (c) where it is not possible or feasible to do so, to provide them with an adequate cash separation allowance.

The need for such a planning committee is envisaged in the Ministry of Transport White Paper (U.K.) dated June 29th, 1969, from which the following is an excerpt: "The Government's general aim is to encourage employee participation on the basis of effective machinery for negotiation and joint consultation. This is specially important in the ports because technical developments require a radical rethinking of traditional working practices in which the employees must be involved there". The necessity for such a joint permanent

planning committee was also stressed in the "Report of the Committee on Manpower problems in the unloading of grain vessels in the Port of Montreal" dated March 6th, 1968, from page 29:

"c) It is becoming national policy and practice to try to prevent unemployment resulting from technological changes but where it may be impossible to prevent job deprivation in such cases, it is also becoming policy to cushion the effects of unemployment due to such changes through allowances paid while undergoing training, through unemployment insurance, through generous mobility allowances for the resettlement of employees in areas where the demand for labour is greater; through the use by industry of the Manpower Consultative Service and other instrumentalities of government that are concerned with the cushioning of such effects; and finally, through the Canada Manpower Centres.

d) It is becoming policy and practice of the Government of Canada to encourage firms to study jointly with unions the problems of technological change so as to anticipate their effect and to minimize their consequences insofar as this may lead to the reduction of work force required. In this connection, the Committee is of the opinion that the central role of government, both Federal and Provincial, in developing modern and effective manpower policies with particular reference to technological change necessarily requires the creation by government of research programs and research reference facilities to aid unions and management better to understand and solve the problems created by technological change".

One of the recommendations contained in this report is the following taken from page 39, recommendation number 5: "The Committee further recommends that the parties should make use of all government services in order to study the effects of technological change and to assist in dealing with the employees so affected".

RECOMMENDATION

We strongly urge that immediate steps be taken to establish a permanent joint planning committee to serve the St. Lawrence River Ports. The committee proposed would consist of a number of qualified technical advisers but would also include a representative each from management and labour.

The function and purpose of this committee would be to endeavour to forecast the technological changes affecting these ports which would be likely to take place within the next five years, their possible effect upon manpower requirements and the adjustments which might be necessary to meet them.

8. Port administration

In the light of the information we have obtained, we doubt seriously that the best interests of the St. Lawrence ports are being or can be served under the administration system established by the National Harbours Board Act.

In this connection, the Commission emphasizes that what is said in this report about local administration of the Montreal, Quebec and Trois-Rivières harbours should not be interpreted as attributing blame to the managers of those ports, who have had to do the best they could without any specific mandate from the National Harbours Board authorities in Ottawa and without definite policies having been established by those responsible for same.

It may be suggested that this is a matter which does not fall properly within our terms of reference but surely any subject which directly or indirectly relates to labour unrest, such for example as lack of direction or discipline in these ports is one which comes within the ambit of this inquiry and

should be made the subject of at least some consideration.

The importance of vesting the greatest possible autonomy in the local ports was stressed in the report submitted by Sir Alexander Gibb in 1931 and was recognized by the Royal Commission on Government Organization in 1962. It was also stressed in the "Study of Harbour Administration in Canada", tabled by the Minister of Transport in December 1968, hereinafter referred to as the Manning Report. The following is a quotation taken from page 31 of the Gibb report: "Considerable latitude should be allowed to the port managers so long as their activities are directed to carrying out the policy laid down by the central authority. It is essential to avoid emasculating the local administration, since no centralized control can replace an efficient and active local administration or the special knowledge and initiative of the local business community, both of which are vital to a port's prosperity".

Conclusion number 3 of the Manning report (page 74) is as follows: "In the case of harbour administration, it is imperative that local authorities, provincial and municipal, Boards of Trade, Chambers of Commerce, shipping interest, labour unions, co-operate in the planning and development of the harbour which will serve the industries of their area or transit traffic. Local port authorities are in a much better position to obtain such co-operation than a centralized organization of the Federal Government".

We also quote the following paragraph taken from page 71 of the Manning Report as follows: "Looking back to the Standard Harbour Commissions Act of 1964, to the National Harbours Board Act of 1936, and to the recommendations of the Gibb Report of 1931, it is interesting to note that the system of day-to-day operations laid down for the Commission harbours is probably more in accord with the broad intent of the Gibb recommendations that is the present Harbours Board system".

In England, the importance of reserving to the local port authority the greatest possible measure of autonomy was recognized in the White Paper tabled in July 1966 by the Minister of Transport. The following quotation from that document is reproduced at page 45 of the Manning report as follows: "What is required therefore is a strong central directing body, the National Ports Authority, together with a limited number of Regional Port Authorities. It is the Government's intention that, within the framework of the national plan for ports, the Regional Port Authorities shall enjoy the widest possible measure of independence in the management and operation of the ports within their regions".

Notwithstanding the foregoing there is nothing in the National Harbours Board Act (and we have found nothing elsewhere) which could have the effect of securing, legally, to local ports any degree of autonomy.

Although these local harbours are in practice considered as being administered by their respective port managers, the office of port manager is not mentioned in the National Harbours Board Act nor is it provided for by any other legislation. On the contrary, port managers and in particular the manager of the Port of Montreal is no more than an employee of the National Harbours Board subject entirely to its direction and control. We are told that there is not even a written contract stipulating his term of office and defining his duties, powers and responsibilities and that such of these as he exercises are exercised under oral instructions (and sometimes by letter) emanating from the National Harbours Board in Ottawa.

In such circumstances, it can scarcely be considered that any of the St. Lawrence ports is legally assured of any degree of autonomy much less that recommended in the reports above mentioned.

It is noteworthy that the existing system of administration takes no account of the unique position occupied by the Port of Montreal. It makes no distinction between this port and, for example, the Port of Trois-Rivières which, however important it may be, scarcely ranks with the Port of Montreal either in the matter of size, national position or the complexity of its problems.

It is impossible to escape the conclusion that the St. Lawrence Ports suffer disadvantage both as a result of the fact that they enjoy no autonomy as visualized by both the Gibb and Manning reports and because of the lack of local representation and participation in the planning and operation of these ports.

The situation in this respect is in sharp contrast with that which is characteristic of most European ports many of which are actually owned and operated by municipal authorities, while in others, municipal and other local representation is included in the membership of the local port authority.

In France, "ports autonomes" were formed to recognize the principle of autonomy. It was provided that the port director should be assisted by an administrative council, half of it to be appointed by the local Chamber of Commerce, the regional industrial organizations, the local municipalities and the dockers; the other half appointed by the State, includes government employees, port users, navigation and land transportation interests, etc.

It should be realized that 33 years have elapsed since the system of centralized administration recommended by the Gibb report was adopted and, in the interim, conditions and circumstances have altered enormously. Moreover, it is evident that the centralized system of administration then introduced was recommended as a means of meeting a then existing situation by vesting in Ottawa financial control over the various harbours which had previously been operated under independent local commissions.

It is suggested that the time has now arrived when this policy of centralized administration should be reconsidered in the light of the current situation with a view to its replacement or at least modification to provide the St. Lawrence River Ports, and in particular the port of Montreal, with that degree of autonomy necessary for their efficient and profitable operation and consistent with the place they occupy in the national economy.

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As a means of gaining that objective we suggest that the entire administration of the Port of Montreal be transferred to a local committee corresponding to those which function in Continental Europe.

Further the Commission feels that in order to develop between management and labour a sense of urgency for the situation of the port of Montreal, at this time, and to work together towards fostering the interest of the harbour as a whole, it is necessary that they be brought into immediate contact with the actual administration of the port. The Commission

suggests that to achieve this goal there should be equal representation of management and labour at the level of the local administration, although still under the Chairmanship of a highly capable government representative with a casting vote.

GENERAL CONCLUSION

Although for years all those carrying on business in the port of Montreal have been well aware of the abuses and undesirable conditions which have existed, none has accepted responsibility for or made any attempt to remedy the situation.

It would be unrealistic to expect that the mere implementation of recommendations contained in this report would of itself achieve the desired results. It is obvious that there must be either the voluntary cooperation of all parties in an honest attempt to make these recommendations effective or, alternatively, independent and authoritative action to ensure that this is done.

In view of the intransigency of many engaged in activities in the port, and the tenacity with which they adhere to outdated attitudes and practices, and the lack of any assurance that they are ready, even now, to face up to their responsibilities, it is of paramount importance that there should be no delay in the creation of the proposed local dock board clothed with the requisite authority to ensure that the necessary reforms are made promptly, effectively and with impartiality.

MONTREAL, OCTOBER 2nd, 1969.


COMMISSIONER.

ANNEX "A"

THE MAKE-UP AND OPERATION OF
MAJOR PORTS IN WESTERN EUROPE

LONDON AND LIVERPOOL

The port of London is an inland port and operates an enclosed docks system distinguishable from private wharves and quays along the Thames. It is owned and operated by the Port of London Authority, a statutory undertaking formed in 1909 to take over from private companies which had built the enclosed docks but were unable to afford proper maintenance of these docks.

The port of Liverpool is operated on the same basis as the port of London by the Mersey Docks and Harbour Board. The PLA and MDHB form part of those ports in England which are not privately or publicly owned but are operated by a self-governing body sometimes called a "trust" or "authority". The PLA is made up of members appointed for three years by the Government, the City of London Corporation, Trinity House and a number of other persons elected by port users. The membership at this time is fifteen (15). The make-up of the MDHB is the same.

Although those authorities purport to be independent of government or municipal control, they

must look to government for additional capital financing. This is done on the same basis as private companies borrowing from the bank.

In the port of London, the PLA is the largest undertaking and employer. It carries out the largest proportion of stevedoring and warehousing although at times it will sublet some of its work to independent contractors. Because of its dominant position as an employer and because it owns most of the supra and infra structure, it is obviously in a position to exert a considerable influence on other contractors involved in the harbour.

In Liverpool, it was only recently, after implementation of the first step of the Devlin report, to which reference will be made later, that the MDHB moved into the field of cargo handling, and it is now also the largest employer in Liverpool and handles the larger proportion of the handling of the goods.

As can be expected, both the PLA and the MDHB maintain that their labour relations are the best amongst employers and both organizations indicate very clearly that the best way of settling labour problems on the docks would be for each organization

to become the only employer in the harbour. The relationship between shipowners, shipping agents, freight forwarders, stevedoring contractors and other undertakings operating on the harbours of London and Liverpool appears to be good, and it would seem that this is due for the greater part to the medium of understanding and cooperation given by the make-up of the two authorities where all parties have a chance to meet. While the number of members of the boards was reduced from 28 to 15 in September 1969, it now has amongst its members 2 representatives of trade unions.

We were much impressed with the immediate concern of the PLA for the interest of port users and of the public in general and with the excellent relationship existing between its officials and its staff.

The status of the major ports of Great Britain both with respect to administration and labour were the subject since 1943 of over 29 inquiries culminating in the Rochdale and the Devlin reports. The terms of reference of the Rochdale inquiry, set up under the

chairmanship of Viscount Rochdale, were to "consider to what extent the major docks and harbours of Great Britain are adequate to meet present and future national needs; whether the methods of working can be improved; and to make recommendations".

The Rochdale report according to the persons interviewed by us in the U.K., constitutes a reliable analysis of the situation of major ports in the U.K. and was and is still being used extensively in the application of the Devlin report.

Indeed, the Devlin report could be said in fact to be a prolongation and a solution to the problems analysed in the Rochdale report.

The Rochdale report dealt with the administration of harbours generally and in particular those of London and Liverpool as well as with the status of dock workers, to wit, decasualization and training.

In respect of the make-up of trust ports as opposed to publicly or privately owned ports, it (the Rochdale report) puts the accent on the need for local administration of ports but points out to the danger of divided loyalties in giving too much representation to local users in those ports where

head-offices of merchants and shipowners are not situated.

It expressed the view that there was no general case for subsidisation of ports, although it allowed for loans by the Government for major development scheme with normal rate of interest being charged. In the field of local planning, it forecasted the difficulties that containerization would bring in terms of achieving modernisation and made much of the necessity of planning for progress and mechanization through cooperation between port authorities, shipowners and trade unions.

It also analysed the National Dock Labour scheme then in existence and being administered by the National Dock Labour Board through local boards.

The objects of the scheme were to attempt to insure greater regularisation of employment through registration of employers and dock workers, and centralisation of the hiring of dock labour as well as guaranteed minimum weekly wage. The Rochdale report pointed out that the dock labour scheme had not succeeded in decasualising labour, inasmuch as the National Dock Labour Board did not have real power

to control the number of employers within the port, and that psychologically it was extremely difficult to enforce a full decasualisation program without some form of permanent employment.

It recommended that the training of dock workers should be greatly increased and port authorities and port employers should jointly consider additional training facilities.

The report was presented to Parliament in September 1962. In October of 1964, decasualisation had not significantly progressed and the ports of Great Britain, of London and Liverpool in particular, were plagued with labour dissatisfaction and wildcats. The Government then appointed a Committee of Inquiry under the chairmanship of the Right Honourable Lord Devlin to inquire into a dispute then existing between the National Joint Council and the Port Transport Industry and generally into decasualisation and causes of dissention in the industry and other matters affecting efficiency of work.

The Committee proceeded to deal in a first report with the then existing labour dispute, and in a second report, with the causes of dissention and

inefficiency as well as the means of promoting decasualisation. It is interesting to note how some of the reasons for dissention and inefficiency were to some extent and still are similar to those affecting the harbour of Montreal in particular. It pointed out to the problem of "blue-eyed boys", being the preference given by some foremen to the employment of their "favourites" a matter which was highly prevalent in the harbour of Montreal with the shape-up system in force prior to the Picard report.

It quoted the Leggett report dating back to 1951 which had reported on "unofficial stoppage in the London docks" and to the fact that the same situation still prevailed.

The Devlin report pointed out that while the trade unions had to share a large part of the responsibility for this state of affairs, much of the unrest was bred through casual employment.

In analysing the powers of the Dock Labour Board, the Committee underlined the fact that the board had been reluctant to use its powers of discipline. A reluctance which in the opinion of the Committee was due not only to the trade union side but to a

"common fear of the economic consequences". It pointed out that while casual employment might have served as an excuse for this laxity, once normal and regular employment had been established, the board should exercise its "disciplinary functions fully, justly and firmly, and should receive national support, whatever the immediate consequences may be".

The Devlin report then dealt with the difficulties resulting from negotiations of collective agreements at the national level, and the contradictions that ensued between local stewarts attempting to enforce unofficial practices which sometimes came in conflict with principles agreed upon at the national level.

The Devlin report finally concluded by recommending the adoption of many items:

- (1) The elimination of the casual employer and of casual management.
- (2) The introduction of a system of regular employment.
- (3) Strong and effective trade union leadership.
- (4) The obtaining of greater mobility of labour.
- (5) The improvement of welfare facilities.
- (6) The revision of the wage structure.
- (7) The abolition of time-wasting practices.

(8) The acceptance of firmer discipline, particularly in the matter of time keeping and in respect of decisions of the Board.

(9) The review of manning scales to take into account increasing mechanisation and changing methods.

It suggested that the adoption of the solutions suggested be done in two stages: a) decasualization and the improvements that necessarily went with it; and b) modernisation, that is a review of the wage structure of the industry and the abolition of all remaining restrictions on the effective use of manpower and facilities, including the fullest possible economic use of mechanical aids. The Devlin report was presented to Parliament in 1965, and shortly thereafter the Government issued the directive that it intended to follow through with the recommendations contained therein.

On September 15th, 1967, a deadline set by the Minister responsible for the application of the Devlin report, decasualisation was started in all ports in the U.K. with as many registered men as possible being assigned to an individual employer by his local Dock Labour Board.

Concurrently with decasualisation, a Committee was formed by the National Joint Council of Port Industries, called the National Modernisation Committee. This committee was made up of four independent members with no power to vote, but with the duty to report to the responsible minister in government, seven members representing trade unions, and seven members representing employers. At the time of the visit of the Commission in the U.K., step one, that is decasualisation, which had started on September 15th, 1967, had been completed and the National Modernisation Committee under the chairmanship of Mr. G.H.B. Cattell was attempting to deal with the problems of the minimum standards, local productivity, phasing out of excess personnel and a scheme leading to reduction of the compulsory retirement age.

It can be said that, generally speaking, everyone in the U.K. is in agreement with the Devlin recommendations and that there is an impressive degree of goodwill on the part of all parties to cooperate and achieve a degree of productivity which will permit the London and Liverpool ports in particular to properly compete with other continental european ports.

On the other hand, the radical change which negotiations at local level are bringing, is causing strong disagreements at the national level within the union and sometimes within management.

This coupled with the current revision of labour laws in England has had a detrimental effect on modernisation; to such an extent that, at the time of the visit of the Commission to Tilbury, one could see the most efficient and modern container equipment remaining idle for lack of agreement at the national level between union and management, although there was full agreement at the local level between the local trade union and the PLA.

Prior to decasualisation, the local Dock Labour Boards were charged with handling the pool of men on a day to day basis, to assign them to various employers; they had exclusive right to exercise discipline in respect of dismissal and other matters. With the advent of decasualisation, there apparently has been a marked reduction in the disciplinary powers heretofore exercised by the Dock Labour Board. The reason is apparently that employers, finding

themselves with regular gangs, decided, in an attempt to improve their relationship with labour to report as little disciplinary incidence to the dock labour board, which was still charged with exercising the discipline; with the result that according to some quarters, in Liverpool in particular, the employers are returning to a situation, which might be worse than that which prevailed before the Rochdale and Devlin report in respect of discipline and attendance at work.

This situation, according to some of the persons interviewed in both ports, prevails only with private employers and not with employees of the PLA and of the MDHB, which fact, of course, is used as an additional argument for the advancement of the concept of one single employer on the port, leading eventually to nationalisation of the harbours in the U.K.

It can be said that both union and management agree that there is an absolute necessity for the preservation of the National Dock Labour Board so that it can continue to exercise its disciplinary powers, its supervision of the register of men, its

licensing of employers and employees and its duty with respect to the training of men.

Although the London and Liverpool harbours still have some way to go before achieving the type of modernisation suggested in the Rochdale and Devlin reports, there is no doubt that with the cooperation which seems to be prevalent between trade union and management, they will achieve in due course a degree of productivity which will compare favourably with the continental european ports.

When discussing the various labour problems of the harbours, in London and Liverpool, we were impressed by the attitude of the trade unions and management in respect of training of men, in general. At this time, checkers have to undergo a period of at least 15 days training before being hired as checkers, and there exists in London and Liverpool, a week-end school for longshoremen, which however is still on a voluntary basis.

Interestingly enough, it is the trade unions that are pressing the most for better training and schooling of longshoremen. On the whole, everyone seems to be in agreement that this is not only a necessity

in trying to modernize operations and achieve productivity, but, it also has a very salutary effect on the relationship between management and labour.

HAMBURG

The port of Hamburg, having been destroyed almost completely during the war, was completely rebuilt with the most up-to-date equipment and is therefore one of the most modern port in the world. It prides itself on being a "quick port", that is where turnover time is the shortest. Immediately after the war, the government reconstructed all of the infra structure as well as the super structure but, in the last years, has stopped investing in new installations and has attempted with success to cause private industries to invest in new installations, such as container equipment. Also after the war, the government organized a state-owned agency which operated in the harbour much as an independent contractor, but whose activities of late have been curtailed, so as not to compete unduly with private industries, because of its government support.

It is not possible to make a fair comparison between the U.K. ports and the port of Hamburg for

two reasons; the first one being the fact that a complete reconstruction of the port has permitted a thorough modernization of its facilities and the second one being that West Germany at this time, particularly Hamburg, is very short of labour, so that labour has to be imported from other countries.

The relationship between labour and management seemed harmonious, although we gathered from our conversation with the Secretary of Union, that the union is at this time negotiating with management to make sure that the reduction of the work force, due to the advent of container, does not eventually hurt the union. However, as aforesaid, the shortage of labour presently diminishes the urgency of this problem.

The workers in Hamburg have guaranteed employment, with a forty-hour week (40-hour). The extras are dispatched by a company owned by private industry, incorporated under a general law of the Parliament, specifically to run the pool of approximately 2,000 men.

With respect to training, there is no training as such although there is an apprenticeship period of three years for specialized employees such as tally men and others.

There seems to be no problem with respect to discipline, although we gathered that the union was at this time trying to come to an arrangement where a delay of at least two weeks would be given to a man before being fired.

AMSTERDAM AND ROTTERDAM

There is no Port Authority in the ports of Amsterdam and Rotterdam, as both ports are owned and run by the local municipal councils. The council lays down regulations concerning organization of the port, port dues, capital expenditures and the duties of the managing director and of the harbour master.

Although the town council looks after general regulations concerning port dues, as stated above, all port activities are in the hands of private enterprise. After the war, the local town councils financed the rebuilding of the quays and sheds and the purchase of equipment, but in recent years, the addition of sheds and other technical equipment has been assumed by private enterprise. The handling of labour relations is completely in the hands of the parties. The employers of the port are members of the Shipping Association in which, membership is voluntary, and which is open to all employers.

Employers can limit the size of their permanent staff to a minimum, and, when need arises, draw supplementary dock labour from a pool managed by the shipping association. The pool acts as an employer of this labour reserve.

Collective agreements are negotiated with the three labour unions under the supervision of the ministry of Labour which in the long run has the authority to pass on labour agreements in respect of wages, with the authority to make sure that national regulations in respect of safety and other matters are observed.

In 1955, the ports of Amsterdam and Rotterdam were confronted with increasing difficulties in the labour market inasmuch as there was a shortage of labour in Holland; it was realized that the status of dock labourers in Amsterdam and Rotterdam had to be examined in depth in order to remedy a situation which caused most labour to frown upon dock labour work. The image of the dock worker was not favourable; the working conditions were unfavourable compared with

those in heavy industry; personnel management and the style of leadership had lacked behind developments elsewhere with the result that even at the lowest level of enterprises, foremen had lost control especially by trying to maintain old forms of autocratic leadership.

In 1961, a sociological study was carried out by the Sociological Institute of the Leiden University, and a number of conferences at management level were held on the subject of promoting the status of dock workers, the motivation of workers and modernization of management generally.

One improvement of the physical conditions of work on the waterfront is a program for the training of apprentices and adult dock workers. On the other hand, management started a program in order to promote a modern concept of management, at all levels, in order to achieve better productivity and harmonious management-labour relationship.

In the field of training, the employers' association, working hand in hand with unions, has now organized and is operating a course for dockers, a course for hatchway men and a course for checkers. New employees have first to go through an initiation course and thereafter to work for a period of three to five months in special training gangs. After about 1½ year of service, they follow a theoretical course of about 15 days, further to which, they have to submit to an examination, which is necessary for promotion and higher wages.

The course for hatchway men lasts for 6 months during which the trainee receives theoretical lessons during 2 days per week and works the rest of the time on the docks. He also has to submit to an examination at the end of his course.

Checkers must undergo a course lasting also approximately 6 months, the worker receiving lessons during 1 evening per week after which he must undergo an examination.

The course for dockers in particular is set to work according to a rotating system, as the Port Employers' Association considers that it is necessary that a work force be flexible, adaptable to rapidly changing organizational structure and new work methods. According to all concerned, the results of these programs for training of dock workers generally, as well as the checkers and hatchway men, have been very encouraging and there is little doubt that labour-management relationship in Amsterdam and Rotterdam is excellent.

In addition to this program for present personnel on the waterfront, the employers' association has started a school for boys, in which the minimum age for acceptance is 14 years of age. During the first two years, the boys are given primary education subsequent to which, they are placed in apprenticeship through the organization of port employers.

ANTWERP

The port of Antwerp is operated almost on the same basis as the ports of Rotterdam and Amsterdam, in that it is owned by the municipal authority and managed through a manager appointed by the Municipal Council.

While the infra structure is the property of the municipality, new sheds as well as handling equipment including container equipment are owned and operated by private enterprise. There are three unions, Socialist, Catholic and Liberal totalling 12,000 men.

While the foremen are members of the union they form part of a separate bargaining unit for foremen.

The foremen are permanent employees and so are the master checkers. The employers are grouped into an organization created in 1928, called the "Centrale d'Employeurs du Port d'Anvers" (CEPA). It is made up of twelve (12) members; four (4) of which represent the importers and the exporters, four (4) the stevedoring contractors and four (4) the warehousemen.

In Belgium, the Law permits the Minister of Labour to organize parity committees wherein labour and management in a given industry or district are equally represented with a Chairman and Vice-Chairman appointed by the Minister.

Only representatives of employers and employees within the Committee have the right to vote. The Chairman and Vice-Chairman are responsible directly to the Minister.

The Parity Committee deals with the negotiations of collective labour agreements between the parties, prevents or conciliates grievances between employers and employees. They delegate certain of its members, as a restricted commission, for the purpose of conciliating the parties and they may recommend to the Minister the formation of a permanent conciliation board.

All labour conflicts must be examined and adjudicated thereon, within three days of being submitted to the Parity Committee.

In Antwerp, the CEPA is recognized by the Minister, as the official representative of employers. It forms the Parity Committee jointly with representatives of the three labour unions involved in the harbour.

The Parity Committee supervises and negotiates working conditions and, to this end, the Committee meets at least on a monthly basis.

The Committee has drafted a set of rules designed to cover most of the problems arising on the waterfront, and two (2) representatives from the Parity Committee, one for the union and one for the employer, settle grievances on the spot, on a daily basis.

As many as sixty (60) grievances or incidences are settled daily on the piers, through a unanimous decision of the delegates from the Parity Committee; whenever there is no agreement, which is seldom, the Parity Committee is called upon to rule. The Parity Committee administers the hiring hall and

the register of men, and has in the last two years reduced the working force from 13,000 to 12,000, through the register, in order to cope with the advent of containerization.

There is a wage guarantee extending over the complete year and providing for 70% of the basic salary.

Employees must report almost on a daily basis to the hiring hall in order to obtain a certificate of attendance, and repeated absenteeism results in the employee being struck off the register.

The CEPA handles payment of daily pay as well as of guarantee wages, at a central office where employees must present themselves with a certificate completed on the job. While there is no compulsory training for dockers, checkers must have followed one year of training successfully with the provincial institute of port employees. The number of persons admitted to follow those courses are determined by the Parity Committee of the Port of Antwerp.

LE HAVRE AND MARSEILLE

The port of Le Havre is run by a semi-governmental agency called Le Port Autonome du Havre instituted in virtue of a general statute enabling the government to form, wherever it is deemed desirable, organisms of this nature to administer one or even two ports in a given area.

The port of Marseille is run by this type of agency which is called Le Port Autonome de Marseille.

The law in question first came into force in 1920 and was applied to Le Havre in 1925. It was amended from time to time and in particular in 1965 and 1966, allegedly to give more autonomy to the local administration.

The Ports Autonomes are the sole proprietor of all docks and sheds on the harbour, including cranes and other types of cargo handling equipment, save and except forklifts, pallets and related items which are the property of the independent stevedoring contractors operating on the harbour.

The administrative expenses of the Ports Autonomes are financed through dues collected by them,

but the costs of building the infra structure, digging of bassins and similar works are assumed by the state in the proportion of 60% to 80%.

The administration of the ports is in the hands of a Board of Directors made up of 24 persons, half of whom are designated by the local Chamber of Commerce, and by representatives of labour in the employ of the Port Autonome and labour employed by contractors in the harbour. The other members of the Board are named by the Government and represent seven government departments and of private agencies connected with maritime trade within the region. The Board elects a President amongst its members.

In addition, a Director of the Port Autonome is named by the Cabinet and, to all intents and purposes, acts as the Government's representative to exercise the Government's prerogatives wherever the law calls for such action.

The Director of the harbour meets with his Board at least once every second month and for such matters as are permitted to be dealt with independently of government by the Board, the majority

rule applies, with the President having a casting vote. The Director reports directly to the seven departments of the Government, each responsible for its own sphere of legislation: the Minister of Public Works and Transportation, the Minister of Labour, the Minister of Justice, the Minister of Finance, the Secretary of State and the Minister of Trade and Commerce. There is some dissatisfaction with the operation of the Board of Le Port Autonome because of the excessive intervention of government agencies in the administration of the port which makes it somewhat cumbersome.

The Director of Le Port Autonome is also the President of the Bureau Central de la Main d'Oeuvre.

This organization operates in the harbour in virtue of a general law governing organization of labour in the harbours, and is charged with the organization and regulation of permanent work by dockers in designated harbours such as Le Port Autonome du Havre. The Bureau Central de la Main d'Oeuvre is made up of the Director of the Port Autonome, as President with a casting vote, two representatives of stevedoring contractors and two representatives

of labour. The President generally delegates his powers to a Director who seems to command both in Le Havre and Marseille the same kind of authority and respect from all parties.

The duties of this Board are to:

- a) organize a register identifying and classifying dockers and advise the government on the desirable maximum number of professional dockers;
- b) organize and control hiring in the harbour;
- c) divide the work amongst professional dockers;
- d) supervise the application of local social legislation including unemployment insurance and guaranteed wages.

The expenses of the Bureau Central de la Main d'Oeuvre are met by a trust fund called Caisse Nationale de Garantie des ouvriers dockers.

It is made up of nine persons, being, the President who is usually the Port Director, the Vice-President and the Financial Director respectively appointed by the Minister of Labour and the Minister of Finance, three representatives of employers and three representatives of labour. The majority rule governs, the President having a casting vote.

In addition to collecting the necessary funds to run the Bureau Central de la Main d'Oeuvre, it keeps a register of labour and employers, and acts as an appeal board from sanctions against employers and employees meted out by the Bureau Central de la Main d'Oeuvre.

The dockers are divided in two categories:

- a) professional dockers who are inscribed on the register and, by definition, have priority of employment over other occasional labour; they are either permanent dockers such as foremen and forklifts operators who are hired on a monthly basis, or guaranteed dockers who are guaranteed 70% of wages when the hiring hall is unable to provide them with employment;
- b) the other classification of dockers is that of occasional who are made up again of two classes - stagiaires who can be hired only after the professional dockers are hired but before other occasional labour is given an opportunity to work.

Every docker must report to the hiring hall every day and for every shift.

Representatives of various companies are given an office in which their representatives carry out the hiring for the day or for the shift. The mechanics of operating the hiring hall are similar to those of New York, except that there is no computer through which hiring cards can be fed. Hiring starts on a given signal and dockers carrying a professional docker's card are the only ones who can be hired during the first 15-minute period; if after this period more labour is required, then occasional dockers can be hired by the companies' representatives.

Dockers who are permanent employees such as foremen and forklift operators do not have to report to the hiring hall, and in some cases dockers who have not finished a particular ship may return directly to finish their work at the ship. If after the hiring period is over, there remains professional dockers who have not been hired, either because their particular trade was not required or because there was not sufficient work available, they are immediately given cards which will entitle them eventually to receive compensation on the basis of the wage guarantee involved. The hiring hall is run by the Bureau Central de la Main

d'Oeuvre and is very closely supervised.

In general, the operation seems to run smoothly, although there are instances of preferences and of arrangements whereby a professional docker will be permitted to benefit from guarantee of wages despite the fact that work was available. There seems to be no problem with respect to overtime work, i.e. cases where dockers would purposely refrain from working during the week and concentrate on overtime work during the week-ends, since every docker must report to the hiring hall for every shift as stated above. The major problem is the one of dockers having to travel longer distances from time to time to get to their work and unions are asking for an extra hour to take care of travelling.

The collective agreement provides for a Parity Committee of conciliation made up of an equal number of labour and employers' representatives.

This committee must render a decision within 48 hours after a grievance is submitted and work cannot be interrupted during the 8 days following the decision rendered by the conciliation committee.

In addition to the foregoing, the Ports Autonomes have instituted a labour inspection service. It is run by the Director of the Bureau Central de la Main d'Oeuvre and he is assisted by an employee of the Port Autonome to carry out the investigations required for the functioning of this service. This assistant is called the labour inspector and is charged with the application of all regulations concerning labour as such, hiring, length of work, salaries and working conditions applicable to dockers and to all labour involved in stevedoring. The labour inspector is also charged with the application of regulations concerning hygiene and security.

As appears from the foregoing, the Director of the Port Autonome, through his control over stevedoring contractors and forwarding agents who depend on the Port Autonome for the use of sheds, docks and handling equipment, and through his position as President of the Bureau Central de la Main d'Oeuvre, of the Caisse Nationale de Garantie and through his supervision of the labour inspection, is able to exercise considerable influence on both management and labour.

Added to this is the fact that the port Director is, to all intents and purposes, a high ranking civil servant appointed by the Government; and, because of this, he is not easily susceptible of being influenced by one faction or the other.

While local interests are represented in the Port Autonome, it is nevertheless devoid of much autonomy despite its name because of the large number of government departments (7) sitting on the Board and because of the necessity to refer to the central government for matters of importance.

This is justified in part because the government finances almost 80% of the capital expenditures in the harbour, and this has, to some extent, delayed the installation of more modern equipment in the field of containerization for instance.

Indeed, at this time private industry is being allowed to finance and organize on its own the development of a large commercial area devoted to bulk cargo, manufacturing concerns and some container handling complexes.

Labour in Le Havre is quite homogeneous inasmuch as it is made up mostly of people from the

same area and who have been working on the harbour from father to son. There has been no strike in Le Havre for a number of years apart from the May 1968 incident which was more political than ascribable to local conditions.

The Port Autonome as well as management in Le Havre recognize the necessity of training the dockers and checkers in particular, but progress in this area has been slow inasmuch as the philosophy of the dominant union, the Confédération Générale du Travail, is radically opposed to any outside influence on its membership even in the field of plain technical training.

The authority of the labour inspector who, to all intents and purposes, is a delegate of the port Director, seems to be unquestionable and he seems to enjoy great respect from both management and labour. His decisions are very seldom questioned and he expressed his satisfaction with the cooperation that he receives from all quarters both moral and financial.



IN REPLY QUOTE
RÉF. À RAPELER

INTERNAL CORRESPONDENCE
CORRESPONDANCE INTERNE

OUR FILE NO. 497-M1
NOTRE DOSSIER
YOUR FILE NO.
VOTRE DOSSIER

FROM Staff Inspector
OR. Planning

TO Director
DEST. Police and Security
Ottawa

OTTAWA 4, Ontario
July 19th, 1968

SUBJECT Physical Protective Measures
SUJET and Gate Controls
Port of Montreal

1. A survey was made at the Port of Montreal for the purpose of establishing security measures that would prevent major thefts and if possible, curtail pilferage. The first objective was to examine the possibility of closing as many entrances as possible during silent hours (nights and weekends) in order to enable the police to effectively block the exits of suspect vehicles. In that connection, visits were made at night and on weekends to find out the need of each gate and the type of traffic (trucking, employees and visitors) using each gate. Discussions were held with the Assistant Port Manager - Operations, the Assistant Port Engineer and engineering staff, the Superintendent of Railway, the Director and members of Police and Security. Captain R. Barette of the Montreal Fire Department was also interviewed to determine the fire response routes that were required. Mr. Pierre Breton, Terminal Manager, for Canada Steamship Lines Ltd. was interviewed relative to their need for an east-west thoroughfare on the harbour roadway particularly across the Viau Street intersection.

2. Even though some of the entrances are now being equipped with gates and others have been mentioned as possibly being permanently closed in the near future, each entrance is described in Annex "A" to this report and recommendations made as to closing possibilities.

3. The boundary fence was also surveyed to locate possible escape routes through existing gaps and weaknesses because of wear, and stretches not yet fenced, particularly in the continuously developing east end.

4. Illumination in general was examined with the aid of a light meter to measure the density of light and the need of protective lighting both as a deterrent to theft and to facilitate police detection and identification of suspects.

PLAN "A"
PHYSICAL PROTECTIVE MEASURES

5. Gating - Appendix "A" contains recommendations as to types of gates to be considered. The whole was examined with the object of eliminating as many gates as possible while keeping in mind the need for passages during silent hours by suppliers and trucking companies as well as the Fire Department. Based upon the need of response routes for the Fire Department, others of lesser importance were eliminated, including Viau Street, leaving as few as three entrances for silent hours. In time of strike, riot or other emergency a gate at each entrance should be most valuable.

6. Fire Response Routes - There are four main response routes: McGill, Papineau, Pie IX and Bossuet. A route of lesser importance is Bonaventure Lane "W" which is near Fire Station #21. Captain R. Barette has agreed that both the Papineau Street and the Bonaventure Lane "W" could be equipped with locked gates provided that the District Inspector be supplied with a key in case of emergency; there should be no problem in meeting this requirement. In the event of a fire, our police patrol should endeavour to open the gate before the arrival of the fire equipment. It is worthy of mention that the Pie IX underpass is too low (10 ft. 9 inches) for some of the modern fire engines of the "Giraffe" type; the Viau Street gate (refer to next paragraph) could be opened should the need arise. Captain Barette has requested that our project be submitted in writing to the Director of Fire Services, Mr. H.-E. Hamel, for his formal acceptance and necessary amendments in their standing instructions to Fire Stations.

7. Viau Street - Since the Pie IX Blvd. entrance must be used as a fire response route there should be no need for the Viau Street as an exit from the harbour. Our only requirement at night-time is a thoroughfare along the waterfront. The prospect of erecting a gate across Viau Street approximately 150 feet from our boundary has been accepted by the Security Officer and the engineer at Canadian Vickers, and discussed with the Assistant Port Engineer. In view of the good illumination, the gate need not be very high; it should, however, open the whole width of the street to allow passage of wide loads leaving the plant. This gate would be controlled by Vickers security who are on duty around the clock. It would be closed during silent hours and opened only to Vickers for passing their occasional wide load. Employees leaving with their cars at night could do so via our Bossuet or Pie IX gates.

8. Protective lighting

- a. Boundary fence - Illumination of a boundary fence and other vital points is an excellent deterrent against potential trespassers, intruders and criminals. The recommended protective security standards are 0.02 footcandles at any one point along a boundary fence. A project of this magnitude may not be possible for sometime along the entire boundary but it is recommended that illumination be increased in Sections 25, 28 and 43 which are noticeably dark.
- b. Footpaths and pedestrian gates - Illumination at 1.0 footcandles at ground level will tend to discourage most pilferers from carrying bulky articles.
- c. Vehicular gates - At any gate where a guard is called upon to examine identification documents a minimum of 2.0 footcandles is necessary. Even though our gates are not manned at this time, good lighting would prevent tampering, damage and possible collisions.

9. Fencing - A chain link fence should be provided along the entire boundary and as far east as Section 79. This will involve construction of new fence in Section 73, Sections 75 to 79 inclusive because of recent development, and repairs in Sections 57, 59, 61 and 74 where the fence is in need of repair. Some projects are already underway for repairs and new fencing in some areas west of the Canadian Vickers plant.

PLAN "B"

10. Manning of gates during silent hours

Independent of any business hours controls of vehicles which may be contemplated, the manning of gates during silent hours is an attractive proposition, considering the cost in relation to the protection received. This plan would be feasible provided that gates in Plan "A" were installed, leaving only the McGill, Pie IX and Bossuet gates to be manned during silent hours. It would suffice that guards on duty maintain a log of all vehicles entering or leaving recording the purpose of the visit, destination and identification of the driver. Very few would be inclined to attempt a theft or other crime once this record of his arrival has been taken. Silent hours coverage during week days could begin at 5 p.m. to terminate at 8 a.m. and on weekends from Saturday 8 a.m. to Monday 8 a.m. This plan could release some policemen from silent hours duty for assignment to business hours coverage.

11.

Gates, Guardhouses, Communications, Manpower
(Refer to Appendix "B")

a. Gates - The type of gates and barriers required are described in Appendix "B".

b. Guardhouses - A guardhouse equipped with toilet facilities, hot and cold water and a hot plate eases the problem of replacing personnel for night lunches and other needs. Frost free windows on all sides are essential. A telephone extension off the switchboard would permit communication with other offices. The following is a list of facilities and equipment essential for a guardhouse:

- Toilet facilities
- Hot and cold running water
- Heater
- 1 hot plate
- 1 clothes locker
- 1 small desk
- 1 chair
- 1 telephone
- 1 date/time recorder punch clock
if Plan "C" is implemented

c. Communications - (Police radio) - A portable police radio in the hands of a security guard protects him against attack since he can instantly summon police assistance. Short of carrying a firearm, a radio is the next best defensive equipment. It would also be very useful when police find it necessary to block all exits or to broadcast a lookout for a suspect vehicle. The recommended unit is the Motorola Universal model, complete with speaker, microphone, and Sam Browne belt. Cost \$1,000.00 per unit.

d. Manpower - To be employees of the Board, appointed special constables, supplied with uniforms, under the command of the Director of Police and Security.

e. Strength - Twelve (12) special constables would be necessary to cover the man-hours shown on Appendix "B". During the winter months the coverage at McGill could be reduced to 1 special constable and annual leave to be taken at that time.

f. Salaries - A hourly rate of \$2.75 on a 40-hour week basis, for a yearly salary of \$5,720.00. This should attract a suitable quality of employee and ensure integrity and loyalty. The cost for 12 special constables at \$5,720.00 amounts to \$68,640.00, exclusive of administration costs, unemployment insurance, pension plan and uniforms.

GATE CONTROLS

12. Another objective of this survey was to examine the feasibility of a complete control of vehicles through a system of permits and passes. In addition to the existing parking permits, a complete system would involve also:

- a. Trucking permits, yearly or seasonal for regular carriers, and temporary (one day) permits for occasional carriers;
- b. Service permits for regular suppliers (yearly) service permits for occasional suppliers (one day);
- c. Visitors passes for: weekend visitors aboard ships; residents meeting friends arriving at passenger terminals; fishermen during silent hours and in specified areas only;
- d. Taxis, one trip passes, or other record of admittance.

13. Such permits would contain a proviso whereby the Board reserves the right to search the vehicle while on its property. All seasonal or yearly permits would be issued by a Permits Control Office while daily passes would be issued at control points located at all entrances to the harbour. Such a complete control would be desirable and would no doubt be the most efficient deterrent to theft and crime in general, but it may not be absolutely necessary at this time and less expensive controls should be considered.

14. An obstacle to be surmounted before we can consider a complete control at our boundary is the lack of space to stop the traffic at our boundary and yet avoid jamming traffic on the city streets and on our roadway. In that connection we would encounter serious difficulties at McGill and Papineau and to some lesser degree at other points.

15. At the present time the principal deterrents to theft are police blockades and searches of vehicles plus the contribution of the Truck Control Centre where identification and record is made of commercial vehicles and its operators. The deterrent effect of having a truck driver produce his operator's license and sign a vehicle control card which is date/time punched, even if only inwards as is now being done, is difficult to measure accurately, but no doubt discourages all but the hardened pilferers and thieves.

16. Recommendation

(a) As an initial project to gate controls it is recommended that all gates between McGill Street and the Canadian Vickers Plant be manned during business hours.

(b) Consideration should also be given to the organization of a second Truck Control Centre and Marshalling yard to be located in Section 48 for the control of trucks between Shed 28 and Elevator #4.

(c) As for gate controls east of the Canadian Vickers plant, this could be developed as a separate project; there is no traffic congestion and the need for a Truck Control Centre is not pressing at this time.

PLAN "C"

GATE CONTROLS DURING BUSINESS HOURS BETWEEN MCGILL STREET AND CANADIAN VICKERS

17. Briefly, this plan would involve the installation of guard-houses at 5 checkpoints to cover the entire area. Special constables hired by the Board would be required to man the gates. Their primary duty would consist of collecting delivery receipts from all carriers of cargo leaving the harbour.

18. Duties at Control Points

(a) The primary duty of Special Constables would consist of collecting a Delivery Receipt for all goods transported out of the harbour. The trucker would produce the Delivery Receipt in duplicate. The special constable would date/time stamp both and retain one copy to be returned to Wharfage Department. The special constable might not always be capable of checking the cargo against the load carried but he could call for assistance from the Police in difficult situations. The Police would also carry out spot inspections of trucks at the exits.

(b) This collection alone of Delivery Receipts would serve a twofold purpose. Firstly, it would be an obstacle in the path of the thief carrying stolen cargo. The odd one might be able to obtain a Delivery Receipt and forge a checker's signature, but the controls now exercised over the use of these receipts would eventually reveal a shortage for which the checkers would have to account. Secondly, the date/time stamp would put an end to all possible evasion of demurrage charges. At the present time a checker may in collusion with interested parties, back-date delivery receipts without detection.

(c) As secondary duties the Special constables would check other traffic and eliminate those having no business on the harbour. A log of traffic could be kept, depending upon the workload of traffic. All vehicle control cards now issued at the Truck Control Centre would also be collected and date/time stamped. Additionally, once the check points have been established it would then be possible to introduce other forms of control.

19. Barriers and Guardhouses

(a) For planning purposes it is assumed that the Jacques Cartier entrance and Dezery underpass have been permanently closed and the Berri Street entrance is open to traffic. This leaves entrances at McGill, Berri, Papineau, Pie IX and the roadway leading to Viau Street which must be equipped with barriers for traffic control and guardhouses.

(b) Lift barriers - They are essential for rapid control of traffic at peak hours when the manning of a chain link gate is too slow and must oftentimes be left open; a lift barrier can more easily be lowered between vehicles. Lift barriers should at least be installed on all exit lanes to avoid anyone from "running" the control point. It is recommended that lift barriers be reinforced with a steel cable insert looped at the end to drop around an anchor post.

(c) Guardhouses - Except for the guardhouse now located on the eastbound truck lane across the McGill Street entrance, other guardhouses should be supplied according to specifications in paragraph 11(b). Their location is indicated in Appendix "C".

(d) Communications (radio) - Five portable police radios at \$1,000.00 each are required, one at each control point.

(e) Communications (telephone) - Since this operation works in conjunction with the Truck Control Centre a telephone extension off the switchboard would ensure a more efficient co-ordination of effort. Telephone link with the Police Station should also be provided.

PLAN "D"

MANNING GATES EAST OF VICKERS

20. Fencing pre-requisites - Before considering a control of vehicles it would be advisable that all companies using access gates onto the harbour be requested to keep such gates closed, and to be opened only when necessary for their own vehicles. Also, if a security fence is not provided along the entire perimeter as far as Section 79, fencing should at least be installed in Section 73 where a vehicle could jump the tracks at Coty and Bruneau Streets. Fencing would also be required immediately west of the Bossuet Street entrance and on both sides of De Boucherville Street entrance.

21. Entrance traffic - The Bossuet Street entrance should be the principal control point for all trucking and general traffic. De Boucherville is used mostly by trucks delivering fill on the harbour but a manned gate would still be required to control this route. Another and more difficult point is to control traffic using the harbour thoroughfare in front of the Vickers plant. Since

traffic leaving via that roadway could exit at Viau Street, all vehicles leaving through that point should be controlled as if leaving the harbour, whether or not they are in transit only.

22. Duties - The duties at control points would be similar to those in Plan "C" except that this zone would not be collecting any Vehicle Control cards issued by the Truck Control centre. All drivers would have to state the nature of their business, either coming to work or to transport cargo. A log of all commercial carriers stating destination, purpose for the trip (pick-up or delivery) description of vehicle and time would be kept at each control point. Delivery receipts would be collected for outgoing cargo in the same manner as for Plan "C".

23. Location of control points - Since most of the checking would be effected at Bossuet Street, it is recommended that our jurisdiction be extended, through arrangement with the city, as far as Notre Dame Street. We could then locate our checkpoint at least 100 feet from our boundary so that any vehicles stopped on the exit lanes would not interfere with through traffic on the harbour. If we take a long range view at De Boucherville Street a similar arrangement now would be recommended. A barrier across the roadway in Section 56 would be necessary.

24. Gates and Barriers

Harbour Roadway, Section 56 - This control point would require lift barriers only.

De Boucherville Street - Chain link gates could handle the light volume of day traffic and would afford excellent protection during silent hours.

Bossuet Street - In Plan "A" a chain link gate had been recommended as protection during strikes and for possible closing by the Police when effecting blockades. Depending upon the volume of day traffic such a gate could be suitable, but under heavy traffic conditions lift barriers would be necessary in addition to the chain link gates.

25. Guardhouses - A guardhouse is required at each of the three control points. The one at Bossuet should be located in the middle of the street.

26. Communications - A portable police radio and a telephone extension at each control point. Purchase price of radios at \$1,000.00 = \$3,000.00.

27. Mannpower requirements - One special constable on duty at each entrance between 7 a.m. and 7 p.m. Monday to Friday, and on Saturdays from 7 a.m. to 1 p.m. Six (6) special constables at \$5,720.00 per annum for a total cost of \$34,320.00.

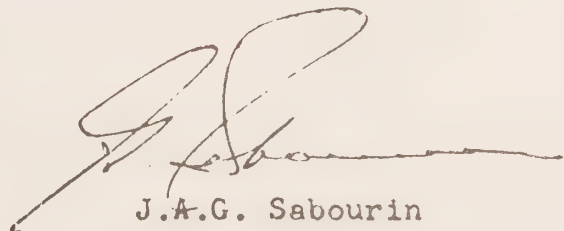
8. Implementation of Plans - Plan "A" is the basis to any of the other plans. Once plan "A" has been implemented it is possible to go ahead with either of plans "B", "C" and "D", either singly or in combination.

29. Planning for future entrances

(a) The least expensive control point to operate is one where the guardhouse is located in the middle of the street so that a minimum of personnel may supervise both lanes of traffic. A waiting bay of at least 150 feet long would be required in both directions from the guardhouse so that vehicles stopping at the control point would not jam city streets and our own road or railway.

(b) The McGill Street entrance does not permit any form of vehicle control at the boundary during business hours. This has been solved with the operation of the Truck Control Centre. During silent hours, however, our gate control must be moved to the boundary for a more efficient operation. Since this entrance is already a dangerous intersection, we should plan to move it further west along the flood wall to the foot of Prince Street and install our gate inland from the boundary. This would involve planning with City of Montreal officials but it is understood that a truck route is proposed near that sector and it may be possible to develop our entrance at the same time.

(c) The Pie IX Blvd. entrance is too low for tall loads and they must now exit via Viau Street. As a future project we should endeavour to acquire land rights from the city, fill or bridge the underpass and install a guardhouse in the middle of the resulting four lane entrance capable of handling tall loads. The Viau Street exit would no longer be necessary and we could maintain a thoroughfare only. A gate across Viau Street would be operated by Canadian Vickers for their own traffic and we could eliminate our control points at both extremities of their plant.



J.A.G. Sabourin

Attachments
JAGS/dr

NATIONAL HARBOURS BOARD

OTTAWA

CANADA

CONFIDENTIAL

November 8, 1968

Re: Smith Commission
Feasibility Study - Cargo Protection by NHB

1. On the 17th October, 1968, while appearing before the Honourable Mr. Justice Arthur I. Smith who is conducting the Industrial Enquiry Commission, Saint Lawrence Ports, the Director of Police and Security at the Port of Montreal, Mr. L.R. Hobbs, was requested to submit a feasibility report on the organization of a Board directed security force to assume all cargo watching duties. This feasibility report was to outline the organizational structure, the manpower and equipment required together with a method of recovering the cost of operations from the lessees of Board property.

In compliance with this request the following report was prepared to indicate the cost of the proposed organization. The method of recovery is to be worked out by the Assistant Port Manager, Administration, Port of Montreal.

2. The cost of operations being the principal objective of this report, details such as standards of recruitment, training courses, type of uniforms and equipment are omitted; these subjects are dealt with quite briefly since they enter the cost picture and no attempt is being made in this report to justify the purchase of certain pieces of equipment against rental possibilities, etc. The expression 'security agent' will be used when referring to NHB security personnel, 'agency guards' will be used in reference to watchmen and guards supplied by the various private security agencies now operating on the harbour.
3. Briefly, an outline of the proposed organization:

COMMAND: An organization to be directly responsible to the Director of Police and Security.

STRENGTH: A basic year-round permanent force of:

9
9 officers
25 N.C.O.'s
75 Security Agents
6 Clerical Staff
1 Radio dispatcher

Plus: Shipping Season Force , April to December incl.

220 Security Agents.

Plus: Reserve Force, April/May and Nov/Dec.

40 Security Agents.

RATE OF PAY: Security Agents - \$2.90 per hour.

EQUIPMENT: Patrol cars
Radio communications system comprising
of a base station, mobile and portable
units.

COST: Organizational period of 6 months \$ 36,215.36
First year, capital and operating, approx. \$2,419,891.88
Second year, " " " \$2,320,179.88

TENTATIVE TAKE-OVER DATE: January 15th, 1970.

OPERATIONAL CONCEPT:

- a) Security takes control of all shed keys; none are issued to lessees.
- b) Harbour gates are manned during silent hours.
- c) In each shed at least one security agent carries a portable radio for instant communication.
- d) Possible use of police dogs during silent hours.
- e) Operational costs to be recovered from lessees through a method of taxation such as increased shed rental rates as opposed to the present system of hiring private agency guards on an hourly basis.
- f) Security agents to be sworn as Special Constables.

STRENGTH:

A survey conducted during the last week of October 1968 revealed that there were close to 200 agency guards and watchmen working on the harbour. On the day shift there were 89 on duty in 48 sheds in operation; during the evening shift 78 in the same 48 sheds, 19 of which were in operation; during the night and on the weekend (silent hours) the number of guards was approximately 60. In addition to these guards were a few agency supervisors on inspection patrols and a handful of C.P.R. policemen in C.P.R. operated sheds. The total number of man hours worked by agency guards, watchmen and supervisors, with the exception of the C.P.R. Police, was 13564. Should the MHB propose to furnish 13564 security man-hours in a week it would require a force of 339 security agents and supervisors. The reasons underlying such an increase are the vast differences in the working conditions affecting both employers and their employees:

- a) Work week: Agency guards work 12-hour shifts and on the average a 72-hour week. MHB employees are governed by the Canada Labour (Standards) Code which basically direct an 8-hour day and a 40 hour week.
- b) Overtime pay: Agency guards are paid at the same regular rate for any number of hours in a day or week; Board employed security agents would be entitled to time and a half (150%) after 8 hours or a 40 hour week.

Flexibility of personnel: Agency guards are called as and when required for duty; Board employees would generally be scheduled for

- 3 -

duty in advance and would be paid for their day's work even though cargo handling was postponed because of adverse weather.

5. For the purpose of arriving at an estimate of the Board's strength necessary to furnish the security man-hours worked on the harbour throughout a 12 month period by various agencies it is necessary to determine the man-hours involved throughout such a period. This figure has already been established for the month of October in the previous paragraph. As for other months of the year the strength will have to fluctuate on a parallel with the fluctuation of shipping activities in order to avoid wastage of manpower during the winter months. As watching services are directly related to the tonnage of general cargo handled in the course of year, tonnage figures were obtained from the Wharfage Department and a statistical graph was prepared to indicate the fluctuation throughout the year (Appendix A). General cargo during the year 1967 was 3.5 million tons and is running slightly lower in 1968. It will be noted that there are two peak periods: April/May and December. At the bottom of this graph are two lines of figures indicating the relationship of watching services with the tonnage of general cargo as they both fluctuate throughout the year. The top line represents the strength of agency guards on a 72-hour week as now employed and was established from data obtained from the limited records of NHB Police and Security; the bottom line indicates the estimated strength on a 40-hour week under the proposal. While the shipping season estimates should be reasonably accurate, it would be preferable to conduct a survey during late January of 1969 to re-appraise winter requirements.

The structure of the proposed security force has been arranged to provide flexibility of strength throughout the year: a permanent force working year-round to be supplemented by a shipping-season force for nine months plus a reserve force to be called as needed.

6. RATE OF PAY:

The salaries and wages should not be influenced by those now paid to agency guards but rather comparable to those paid in industry. At the Port of Montreal the Board now pays its elevator watchmen \$2.63 per hour, labourers \$2.73, helpers \$2.79; first year police recruits at a calculated rate of \$3.02 for the first 6 months and \$3.09 for the remainder of the year. Under the circumstances the suggested rate of \$2.90 per hour would seem appropriate.

7. TAKE-OVER DATE:

It is not recommended that private security agencies be eliminated from the harbour on a gradual basis for this may raise cries of discrimination or favouritism. The recommended time for a complete take-over would be during winter months when security requirements are at their lowest.

8. POSSIBLE REDUCTION OF MANPOWER:

As wages are the most expensive aspect of a security operation it is proposed that a reduction of manpower should be achieved after an initial period. While the contribution of the measures to follow may not at this time be precisely estimated in terms of man-hours savings we should anticipate higher efficiency through:

- 4 -

- a) A radio communication system which will be the backbone of the security system. At least one agent in each shed will be carrying a portable radio linking him directly with Police and Security Headquarters so that he may summons assistance. In terms of personal protection for the bearer a portable radio ranks next only to a sidearm.
- b) The possibility of using closed circuit television for supervision of vital points and attractive cargo.
- c) The use of intruder detection devices wherever possible. It is appreciated that some silent hours patrols are necessary as a fire precaution since there are no sprinkler systems but a combination of both could be less expensive.
- d) MANNED GATES DURING SILENT HOURS

At time of preparing this report gate construction at the Port of Montreal is in progress, and once completed, there will be chain link gates at all entrances except McGill where an engineering problem is being experienced.

The possibilities of operating gates during silent hours with security agents has been investigated and a report submitted to outline the concept of this operation and its cost.

While the harbour may be vulnerable to organized theft in broad daylight, this problem is entirely different from the exposure to armed attack of security agents at night and both problems have individual remedies. It is not intended to discard the daytime problem but rather to illustrate that a security agent at the boundary gate during silent hours may well be twice as efficient as two agents in a shed without gate operation. A case in point is that of three agency guards on night duty in Section 70 protecting a few hundred imported cars, as was the case last Spring. Had we used the same guards at the exit gates there would have been no need for them in Section 70 and at the same time the gate guards would have afforded equal protection to other cargo in that area.

A successful theft at night with manned gates can only be achieved through collusion between the thief and both the gate and the shed guards - a rather remote possibility especially when guards would not know in advance where they would be posted.

No additional security agents should be required for manning gates beyond the estimates contained in this report with the rotation of assignments of the same number of security agents.

- 5 -

e) Key Control

At the present time all lessees possess keys to their sheds and keys are distributed to senior employees. Even though the entire key system is being changed, the present key distribution policy still applies. Under this proposal it is recommended that the security agents would control all keys. The security agent on duty would open doors in the morning, lock them at the end of the shipping day and thereafter admit only authorized personnel once they have produced proper identity; a record of all such admissions would be recorded.

f) Police Dogs

A survey made with other police forces indicates the use of police dogs and trained handlers on the harbour would be advantageous at least during silent hours for the detection of intruders hiding in sheds and for the apprehension of persons fleeing from the premises. A dog gives assurance to the policeman or security agent when outnumbered by a group who may resort to violence. The dog would not be turned loose to search a shed during hours when the labour force is at work but retained on a leash. Two dogs would provide around-the-clock availability. Prices vary across the country as to the cost of purchase, or renting, feeding and veterinary costs, training of handlers and operation of a kennel.

9. OVERTIME PAY:

It has already been illustrated that shipping operations are subject to seasonal fluctuation and the proposed security force's structure has been organized for a similar fluctuation. There are other similar fluctuations in the shipping day depending upon the periods of shipping. During summer the shipping day begins at 0800 hours and terminates generally at 1800 hours. During this daily period of 10 hours the security coverage must be increased to begin at least 15 minutes before and terminate 15 minutes after the shipping day, a work period of 10½ hours. This is no problem to guard agencies since their employees are not paid overtime rate, however, the Board would by virtue of the Canada Labour (Standards) Code be compelled to pay overtime rate for the 2½ hours beyond the 8-hour shift. However, the Code also provides for special working conditions such as these and they may be granted upon application to the Minister of Labour. Under

... 6

- 6 -

an 'averaging plan' employees may work in excess of 40 hours in a week or more and less than 40 hours later on without entailing overtime rate provided that at the end of a stated averaging period (2 weeks, 13 weeks or more) the weekly average is 40 hours; any excess to be paid at 150% of regular rate. There would be advantages under such a plan for both the employer and employee. It would facilitate daily dispatch of security agents to cope with the daily fluctuation of work demand without risk of excessive overtime charges; as for the agents they could accumulate credit hours to be applied during a slower shipping period. The yearly savings which could be realized under such a plan are roughly \$75,000.00 to \$100,000.00, to be credited to the estimates attached to this report.

10. SECURITY UNION OR ASSOCIATION

For the same essential reason as for a police force it is vital that security employees should not belong to an association other than the one representing police. As members of the security force would be sworn-in as special constables membership in or affiliation with a trade union would place them in the untenable position of being unable to perform their duties as peace officers, particularly in the matter of crossing picket lines of unions on strike on Board property. In addition, special constables belonging to a trade union cannot effectively perform their sworn duty to safeguard and maintain the public peace as officers of the Crown. Not only during strikes but during the course of their daily duties the security efficiency would be seriously weakened through such a mutual association with the result that pilfering might get out of control. We already have had such an example at one of our ports and dissolution of this association will be resisted by longshoremen who enjoy the situation. It should not happen elsewhere.

11. RECOVERY

Should it be proposed to supply security agents on a cost-plus basis it may well be anticipated that lessees will not want more than the minimum as is now the case with private guard agencies. Instead, security agents should be dispatched by the Director of Police and Security in the same manner as police personnel are dispatched according to requirements. The method of recovery should be in the form of taxation such as increased shed rental rates, general cargo, tonnage rates and perhaps higher rates where valuable and attractive cargo such as mercury, radios, etc., are involved. Some higher standards of protection would be set for attractive and valuable cargo as compared to normal protection for general cargo.

12. LIABILITY FOR CARGO

Should the police and security operations be expanded in relation to property to include cargo watching services, actually in possession of other parties, it would be advisable to expressly stipulate in NHB By-laws, wherever relevant and in NHB Leases (including so-called 'allotments' at Montreal and elsewhere) that NHB civil liability is not thus proportionately broadened.

OPERATING BUDGETS

13. COST

Pages 9, 10, 11, and 12 were prepared to explain in some detail the general cost figures shown on page 1.

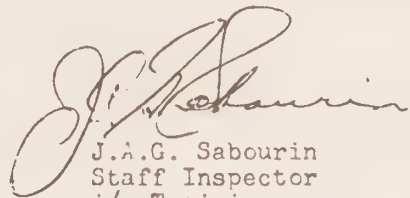
Page 9 - Operating Budget - Organizational Stage.


Pages 10 & 11 - Operating Budget - First Year Operations.

Page 12 - Operating Budget - 2nd and subsequent years.

The payroll overhead has been calculated on the scale used at the Port of Montreal, i.e. 12% on salaries and 24% on wages. It would be appreciated if the Assistant Port Manager, Administration, Port of Montreal, would comment on whether these rates are applicable to a security organization such as proposed here or whether other rates should apply.

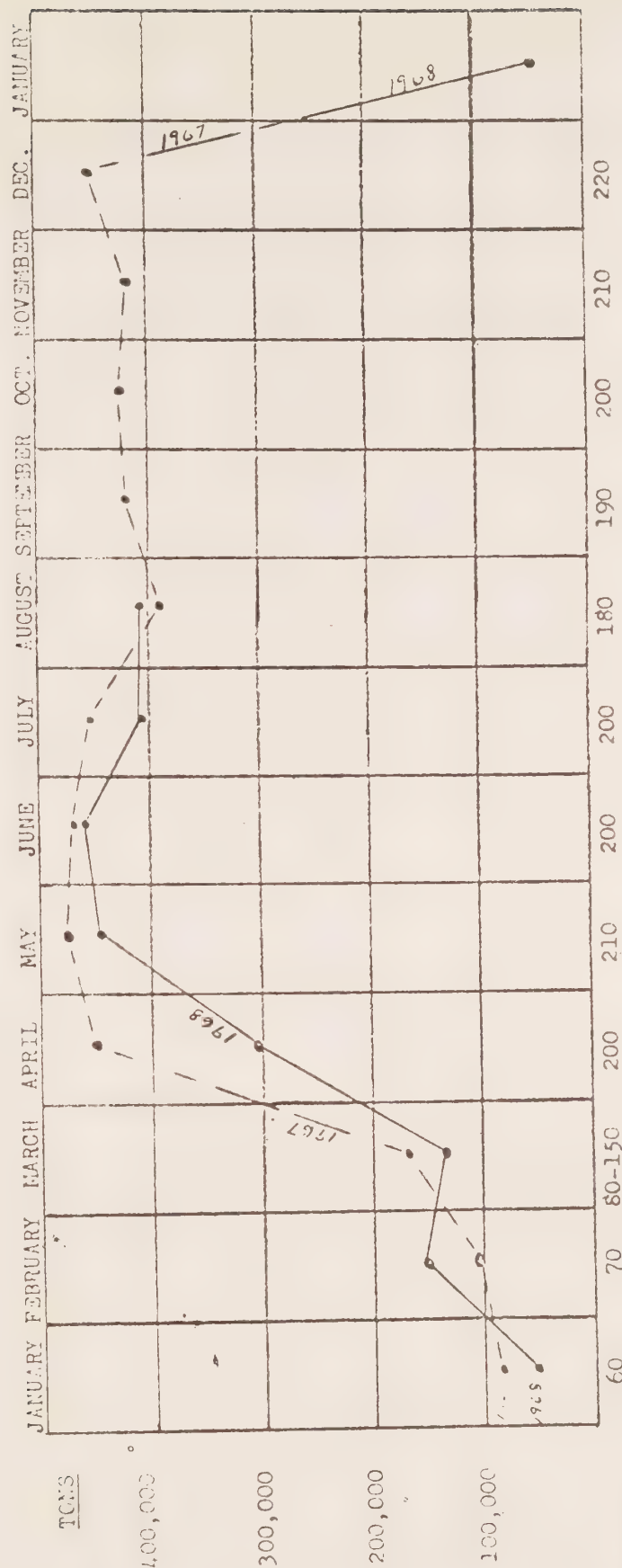
The cost of quarters has not been calculated in the above budgets and should be added at the Port of Montreal.


J.A.G. Sabourin
Staff Inspector
i/c Training


L.R. Hobbs, Director
Police and Security
Port of Montreal

APPENDIX "A"

PORT OF MONTREAL - GENERAL CARGO, FOREIGN & DOMESTIC, IN AND OUT, JAN. '67 to AUG. '68.



Agency guards
on 72-hour week

Estimated NHE
security agents
and M.A. G's on
72-hour week

100 115 130-150 200 210 200 320 340 320 310 300 200 210 220 350

- 9 -

ORGANIZING STAGES - (A) ORGANIZATIONAL STAGES

(Salaries and Transport)

STAGE 1 - Procurement of equipment and supplies, readying of quarters, preparing policy and orders.

As of July 1st - 1 Officer i/c Security, salaries 6 mos.	\$7,500.00
1 Officer, Administration	5,500.00
1 Stenographer	2,500.00
1 Clerk Typist	2,000.00

STAGE 2 - Recruitment of personnel, processing of applications, background investigation; planning for operations and contact with lessees.

As of Sept. 1st - 1 Officer i/c Operations, 4 months	3,664.00
1 Stenographer " "	1,664.00
1 Clerk Typist	1,250.00
1 Rented car, operation and rental	2,000.00
1 Recruiting Officer, borrowed from Personnel Department	n/c
2 Detectives for background investigations, borrowed from Police	n/c
1 Rented car for detectives, 4 mos.	2,000.00

STAGE 3 - Recruitment of Officers and Training

As of Nov. 1st - 1 Admin. Assistant, 2 months	1,500.00
As of Dec. 1st - 5 Ops. Shift Officers, 1 month	3,750.00
1 Clerk, male "	400.00
1 Clerk, female	375.00
1 Rented car, 1 month	500.00
	<u>\$34,603.00</u>

Plus: Payroll overhead, 12% on salaries of \$30,103.00	<u>3,612.36</u>
--	-----------------

TOTAL COST, ORGANIZATIONAL STAGES	<u><u>38,215.36</u></u>
--	-------------------------

STAGE 4 - Organizational Build-up and Operations.

The organizational period will overlap with operations which for planning purposes have been scheduled for Jan. 15th. From Jan. 1st until approximately May 1st an extensive recruitment period should involve the services of the Recruiting Officer and two Detectives as shown above - this personnel being borrowed their salaries have not been shown.

The personnel shown on this page should be in position on Jan. 1st and will be supplemented in early January with H.C.O.s and 75 security agents to form the Permanent Force. Even though some will be hired in the second week of the year their salaries have been calculated for a full year for budgeting purposes.

Salaries shown are a rough estimate only and strictly for planning purposes.

Payroll overhead has been calculated at the existing scale at the Port of Montreal to cover the employer's contribution to: Superannuation, Quebec Pension, sick leave, vacation pay, death benefit, medical insurance and workmen's compensation. Rate: 12% on salaries, 24% on wages.

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OPERATING BUDGET - FIRST YEAR OPERATIONS

(PERMANAENT FORCE - Salaries, duties and strength)

COMMAND Under the Director of Police and Security.

1 Officer i/c Security Force, equivalent to Assistant Director of NHB Police	\$15,000.00
1 Officer i/c Operations (Inspector)	11,000.00

Duties: Issue of orders and policy,
liaison with lessees and shipping companies,
preparation of work schedules, co-ordination
with Police, responsibility to provide
adequate protection.

1 Officer i/c Administration (Inspector)	11,000.00
--	-----------

Duties: Control of uniforms, equipment,
transport, pay accounts and deductions,
discipline and personnel hiring.

1 Admin/Assistant (Lieutenant)	9,000.00
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SUPERVISION

5 Operations Shift Officers (Lieutenant) (1 in charge each shift on 24-hr. basis)	45,000.00
--	-----------

Duties: Dispatch of personnel according to
daily requirements, communications with
lessees and shipping companies, responsibility
for all operations while on duty, maintain
record of activities.

25 N.C.O.s at \$7,200.00	180,000.00
--------------------------	------------

Duties: Inspection of personnel, supervision,
field contact with lessees,
estimating protection requirements and
shifting personnel accordingly.

CLERICAL STAFF

2 Stenographers for 3 senior officers	10,000.00
2 Clerk Typists	8,000.00
2 Clerks, male, stock control and gen'l duties	8,000.00
1 radio dispatcher	6,500.00

SECURITY AGENTS

75 security agents at \$6,052.00 (rate \$2.90)	453,900.00
--	------------

SALARIES, Permanent Force	757,400.00
---------------------------------	------------

PLUS: Payroll overhead at 12%	80,888.00
-------------------------------------	-----------

TOTAL SALARIES, 1 year	<u>838,288.00</u>
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SHIPPING SEASON FORCE - Wages, 1 year.

This first additional group will be semi-permanent,
employed 9 months of the year, on hourly-rated basis.

220 Security agents, rate: \$2.90, on basic 40-hour
week for 39 weeks, earnings of \$4,524.00

995,200.00

OPERATING BUDGET - FIRST YEAR OPERATIONS

RESERVE FORCE - Wages, 1 year.

This further additional group will be called as needed during the peak seasons of May-June and Nov.-Dec.

40 Security agents, rate \$2.90, approximately
40 hours per week for 17 weeks, earnings of
\$1,972.00 \$78,880.00

OVERTIME - 8 general holidays

Cost of overtime rate on 8 holidays on which approximately 50% of the force will be working.

New Year's: 296 agent hrs. at \$1.45 extra = \$429.20
96 NCO " \$1.72 " \$165.12
..... \$594.32

Good Friday, Victoria Day, Dominion Day,
Labour Day, Thanksgiving, Remembrance Day
and Christmas. On each day:

1280 agent hrs. at \$1.45 extra = \$1,856.00
96 NCO " \$1.72 " 165.12
Seven (7) holidays at \$2,021.12
..... \$14,147.81

WAGES, Shipping Season Force, Reserve Force
and overtime \$1,088,902.16

PLUS: Payroll overhead at 24% on wages 261,336.52

TOTAL WAGES, 1 year \$1,350,238.68

EQUIPMENT, SUPPLIES, COMMUNICATIONS

	<u>CAPITAL EXPENDITURES</u>	<u>OPERATING EXPENSES</u>
Transports, rental cost		50,400.00
Communications, radio	\$50,600.00	2,700.00
Communications, telephone		3,253.20
Office furnishings & typewriters	18,412.00	
Office machines, (Xerox)		1,200.00
Stationery		7,000.00
Uniforms (complete)	90,000.00	
Uniforms (partial)	7,500.00	
Identification cards	300.00	
Accommodation, 4550 square feet
	\$166,812.00	\$64,553.20

EQUIPMENT, SUPPLIES & COMMUNICATIONS \$231,365.20

RECAPITULATION OF BUDGET - FIRST YEAR OPERATIONS

SALARIES	\$838,288.00
WAGES	\$1,350,238.00
EQUIPMENT	<u>231,365.20</u>
	<u>\$2,419,891.28</u>

(P. 20 TO 22) - 2nd AND SUBSEQUENT YEARS

This estimate indicates the effect of the reduction in capital expenditures and increase of operating expenses as compared to the First Year budget. Salaries and wages are calculated at the same rate.

2nd AND SUBSEQUENT YEARS

	<u>CAPITAL</u> <u>EXPENDITURES</u>	<u>OPERATING</u> <u>EXPENSES</u>
Transports, rental cost		50,400.00
Communications, radio		2,700.00
" telephone		3,253.20
Office machines (lunch)		1,200.00
Stationery		7,000.00
Uniforms (upkeep)		65,000.00
Identification Cards		100.00
Accommodation, 4550 sq. ft		
Unforeseen	<u>2,000.00</u> <u>2,000.00</u>	<u>2,000.00</u> <u>129,653.20</u>
TOTAL CAPITAL EXPENDITURES		129,653.20
TOTAL OPERATING EXPENSES		129,653.20
TOTAL OPERATING BUDGETS, 2nd AND SUBSEQUENT YEARS		<u>129,653.20</u>

Report on

PHYSICAL PRODUCTIVITY
AT THE PORT OF MONTREAL
FOR THE YEARS 1959 to 1968

to

THE INDUSTRIAL INQUIRY
COMMISSION INTO CERTAIN
LABOUR UNREST AT
PORTS OF MONTREAL,
TROIS-RIVIERES AND QUEBEC

Submitted by

DUFRESNE, McLAGAN, DAIGNAULT INC.

MONTREAL

AUGUST 1969

PHYSICAL PRODUCTIVITY

at the

PORT OF MONTREAL

The productivity at the Port of Montreal was the object of a special study in Doctor Picard's "Report of the Inquiry Commission on the St-Lawrence Ports". The figures used in the above study were deducted from statistics provided by the National Harbours Board and the Central Records Bureau. A Productivity Index in "tons handled" by "man-hour worked" is compiled for the years 1959 to 1966 (cf. Chart IV-I of Doctor Picard's Report).

In order to compile productivity indices for the years 1967-1968, to show the trend in labour effectiveness, one must use figures that are comparable with those used in the above report. Unfortunately, the way in which those figures were deducted is not known to us. A new set of figures has been worked out to serve the purpose of the present report. The way in which those figures are deducted is explained in the Appendix, page 5.

Table 1 (page 3) and the accompanying graph (page 4) show the trend of general cargo tonnages and the work hours due to such cargos from 1959 to 1968. The productivity index is related to the ratio "cargo handled/man-hour worked".

TABLE 1

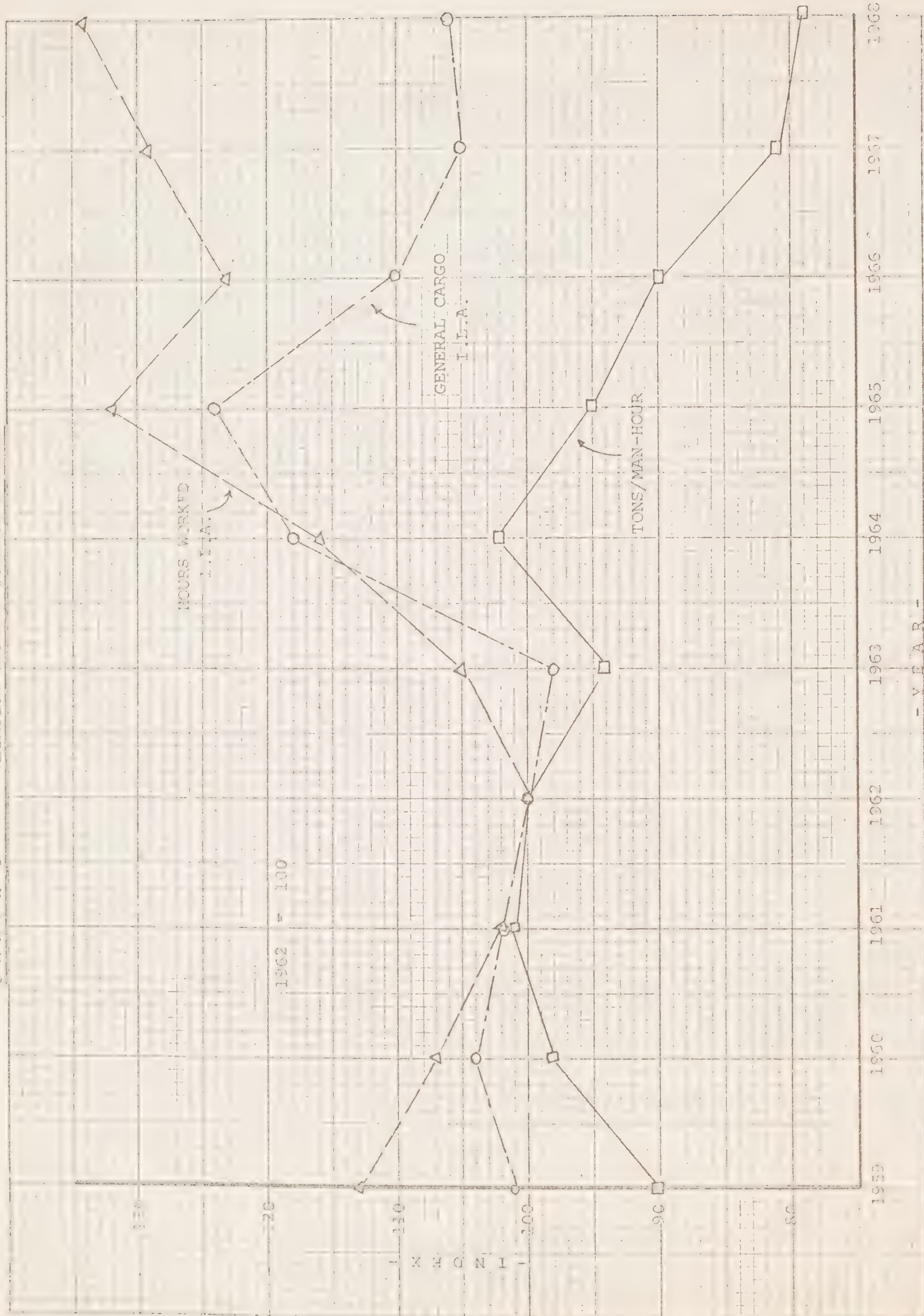
RELATION BETWEEN TONNAGE & HOURS⁽¹⁾

(GENERAL CARGO, I.L.A.)

YEAR	GENERAL CARGO TONS (000)	TONNAGE INDEX (1962=100)	HOURS WORKED GENERAL CARGO (000)	HOURLY INDEX (1962=100)	TONS/ MAN-HOUR	TON/ MAN-HOUR INDEX (1962=100)
1959	3,491	101	4,095	113	.85	90
1960	3,580	104	3,867	107	.93	98
1961	3,520	102	3,681	102	.96	101
1962	3,440	100	3,621	100	.95	100
1963	3,376	98	3,794	105	.89	94
1964	4,073	118	4,191	116	.97	102
1965	4,278	124	4,764	132	.90	95
1966	3,794	110	4,468	123	.85	90
1967	3,609	105	4,684	129	.77	81
1968	3,634	106	4,843	134	.75	79

(1) Source: see Appendix, page 5.

GRAPH 1 - RELATION BETWEEN TONNAGE & HOURS



APPENDIX

ESTIMATE OF GENERAL CARGO TONNAGE
HANDLED BY I.L.A. AND OF HOURS WORKED

A- GENERAL CARGO

The total foreign cargo tonnage handled in the port of Montreal is taken from the supplements to the Yearly Reports of the National Harbours Board. Part of this cargo - bulk cargo, not handled by I.L.A. - has to be evaluated from the list of commodities reported in the supplements. Here is a list of what is considered as bulk:

Raw sugar

Molasses

Ores: iron, aluminum, copper, etc.

Coal, bituminous

Crude oil

Fluorspar

Common salt, except table salt

Crude non-metallic minerals

Tallow, inedible

Gasoline

Fuel oil

A P P E N D I X

Other petroleum and coal products

Others (clay, sand, potash, phosphate rock, etc.)

Cereals and Soya beans unloaded

The subtraction "Total foreign cargo" minus "bulk" gives the "cargo tonnage handled by I.L.A."

The grain or cereals handled by longshoremen falls in a special category; this highly mechanized operation yields a ratio (tons/man-hour) of a different order of magnitude. The subtraction "cargo tonnage handled by I.L.A." minus "grain tonnage" gives the "general cargo tonnage handled by I.L.A.", which is considered for the purpose of the present productivity index.

A P P E N D I X

SUMMARY AND EXAMPLE (1967)

TOTAL FOREIGN CARGO (TONS)	12,063,774
MINUS: BULK CARGO	6,358,785
	<hr/>
CARGO HANDLED BY I.L.A.	5,705,049
GRAIN LOADED	2,096,476
	<hr/>
GEN. CARGO HANDLED BY I.L.A.	3,608,573

A P P E N D I X

B- HOURS WORKED

The total number of hours worked by longshoremen in the Port of Montreal is obtained from the Central Records Bureau.

Hours for handling grain must be taken off that number. "Grain hours" are estimated from the assumption that 30 tons of grain are handled by man-hour. Dividing "Grain tonnage" by 30 (conversion factor) yields the "Grain Hours". The subtraction "total number of hours worked" minus "Grain Hours" gives "General Cargo Hours - I.L.A.", which is considered for the purpose of the present productivity index.

SUMMARY AND EXAMPLE (1967)

TOTAL HOURS		4,753,467
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GRAIN TONNAGE	2,096,476	
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CONVERSION FACTOR	\div 30	
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GRAIN HOURS	69,883	69,883
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GEN. CARGO HOURS		4,683,584
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